

4281

2009-2010 Regular Sessions

I N   S E N A T E

April 21, 2009

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Introduced by Sen. VALESKY -- read twice and ordered printed, and when printed to be committed to the Committee on Local Government

AN ACT to amend the county law and the New York state urban development corporation act, in relation to creating land banks for the acquisition, management, planning and reuse of vacant and abandoned property

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1     Section 1. Legislative findings. The legislature finds that there  
2 exists a crisis in many cities and their metro areas caused by disin-  
3 vestment in real property and resulting in a significant amount of  
4 vacant and abandoned property. For example, Cornell Cooperative Extension  
5 Association of Erie County estimates that the city of Buffalo has  
6 13,000 vacant parcels, 4,000 vacant structures and an estimated 22,290  
7 vacant residential units. This condition of vacant and abandoned property  
8 represents lost revenue to local governments and large costs ranging  
9 from demolition, effects of safety hazards and spreading deterioration  
10 of neighborhoods including resulting mortgage foreclosures.

11     The legislature further finds that the need exists to strengthen and  
12 revitalize the economy of the state and its local units of government by  
13 solving the problems of vacant and abandoned property in a coordinated  
14 manner and to foster the development of such property and promote  
15 economic growth. Such problems may include multiple taxing jurisdictions  
16 lacking common policies, ineffective property inspection, code enforcement  
17 and property rehabilitation support, lengthy and/or inadequate  
18 foreclosure proceedings and lack of coordination and resources to  
19 support economic revitalization.

20     The legislature further finds that these challenges are often beyond  
21 the capacity of cities and metro areas in the state and that a means of  
22 state and local partnership is required to regenerate economies with  
23 significant vacant and abandoned property. Partnership between state and  
24 local government is necessary for a vacant property initiative.

EXPLANATION--Matter in *ITALICS* (underscored) is new; matter in brackets  
[ ] is old law to be omitted.

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1 The legislature further finds that creation of land banks as subsid-  
2 iary corporations by the state urban development corporation at the  
3 request of counties can be an effective and cost efficient approach to  
4 managing and revitalizing vacant and abandoned properties.

5 Therefore, the legislature declares that it is in public interest to  
6 provide for the creation of land banks with the authority of the urban  
7 development corporation.

8 S 2. The county law is amended by adding a new article 5-C to read as  
9 follows:

10 ARTICLE 5-C

11 LAND BANK

12 SECTION 285. AUTHORIZATION TO PETITION FOR CREATION OF A LAND BANK.

13 S 285. AUTHORIZATION TO PETITION FOR CREATION OF A LAND BANK. 1.  
14 DEFINITIONS. AS USED IN THIS SECTION, A "LAND BANK" IS A PUBLIC CORPO-  
15 RATION ESTABLISHED TO ENGAGE IN THE PROCESS OF THE EFFECTIVE CONVERSION  
16 OF REUSABLE PROPERTIES TO PRODUCTIVE USE. REUSABLE PROPERTY SHALL BE  
17 VACANT AND/OR ABANDONED DWELLINGS AS DETERMINED PURSUANT TO SECTION  
18 NINETEEN HUNDRED SEVENTY-ONE OF THE REAL PROPERTY ACTIONS AND  
19 PROCEEDINGS LAW. SUCH PROCESS FOR EFFECTIVE CONVERSION OF REUSABLE PROP-  
20 erties shall include the following powers and duties:

21 (A) CREATING, MANAGING AND MAINTAINING A WRITTEN INVENTORY OF ALL  
22 REUSABLE PROPERTY, OR SUCH PORTIONS OF ALL REUSABLE PROPERTY AS LONG AS  
23 A COUNTYWIDE STRATEGY FOR REUSE IS ALSO ADVANCED;

24 (B) CREATING A COUNTYWIDE STRATEGY FOR REUSE WHICH SHALL CONSIDER  
25 ACTIONS TO COORDINATE COUNTYWIDE ACTIVITIES TO WAREHOUSE AND REDEVELOP  
26 REUSABLE PROPERTIES. SUCH STRATEGY SHALL BE DEVELOPED WITH THE GOAL OF  
27 CREATING CONTIGUOUS TRACTS OF LAND FOR REDEVELOPMENT PURPOSES AND SHALL  
28 EVALUATE PRESENT AND FUTURE USES FOR REUSABLE PROPERTIES. SUCH PLAN  
29 SHALL BE UPDATED NO LESS OFTEN THAN EVERY FIVE YEARS.

30 (C) AFTER THE CREATION OF A WRITTEN INVENTORY AND COUNTYWIDE STRATEGY  
31 FOR REUSE, THE LAND BANK MAY, CONSISTENT WITH MUNICIPAL LAND USE AND  
32 STRATEGIC PLANS AND WITH THE APPROVAL OF THE GOVERNING BOARD OF THE  
33 MUNICIPAL CORPORATION, AS DEFINED IN SECTION TWO OF THE GENERAL MUNICI-  
34 PAL LAW, IN WHICH THE REUSABLE PROPERTY IS LOCATED, TAKE ACTIONS INCLUD-  
35 ING:

36 (I) ACQUISITION OF LAND;

37 (II) LEASING AND SALES OF LAND AND STRUCTURES;

38 (III) ADMINISTRATION, INVENTORY AND ASSESSMENT OF EXISTING PARCELS AND  
39 STRUCTURES;

40 (IV) PLANNING FOR REUSE CONSISTENT WITH LOCAL PLAN AND REINVESTMENT  
41 STRATEGIES; AND

42 (V) FOR PROPERTIES UNDER THE LAND BANK'S CONTROL: PROPERTY MAINTENANCE,  
43 REHABILITATION AND MANAGEMENT, DISASSEMBLY AND SALVAGE AND AS A  
44 LAST RESORT DEMOLITION.

45 2. AUTHORIZATION. THE LEGISLATIVE BODY OF ANY COUNTY MAY ADOPT A  
46 RESOLUTION CALLING UPON THE STATE URBAN DEVELOPMENT CORPORATION TO  
47 ESTABLISH A SUBSIDIARY CORPORATION TO PERFORM THE FUNCTIONS OF A LAND  
48 BANK PURSUANT TO SECTION TWELVE OF THE NEW YORK STATE URBAN DEVELOPMENT  
49 CORPORATION ACT. WHEN AUTHORIZED BY THE GOVERNING BOARD OF A MUNICIPAL  
50 CORPORATION, AS DEFINED IN SECTION TWO OF THE GENERAL MUNICIPAL LAW,  
51 SUCH MUNICIPAL CORPORATION MAY TRANSFER REUSABLE PROPERTY TO SUCH A LAND  
52 BANK CORPORATION OPERATING WITHIN ITS JURISDICTION.

53 S 3. Section 3 of section 1 of chapter 174 of the laws of 1968,  
54 constituting the New York state urban development corporation act, is  
55 amended by adding a new subdivision 30 to read as follows:

(30) "LAND BANK" IS A PUBLIC CORPORATION ESTABLISHED TO ENGAGE IN THE PROCESS OF THE EFFECTIVE CONVERSION OF REUSABLE PROPERTIES TO PRODUCTIVE USE. REUSABLE PROPERTY SHALL BE VACANT AND/OR ABANDONED DWELLINGS AS DETERMINED PURSUANT TO SECTION 1971 OF THE REAL PROPERTY ACTIONS AND PROCEEDINGS LAW. SUCH PROCESS FOR EFFECTIVE CONVERSION OF REUSABLE PROPERTIES SHALL INCLUDE THE FOLLOWING POWERS AND DUTIES:

(A) CREATING, MANAGING AND MAINTAINING A WRITTEN INVENTORY OF ALL REUSABLE PROPERTY, OR SUCH PORTIONS OF ALL REUSABLE PROPERTY AS LONG AS A COUNTYWIDE STRATEGY FOR REUSE IS ALSO ADVANCED;

(B) CREATING A COUNTYWIDE STRATEGY FOR REUSE WHICH SHALL CONSIDER ACTIONS TO COORDINATE COUNTYWIDE ACTIVITIES TO WAREHOUSE AND REDEVELOP REUSABLE PROPERTIES. SUCH STRATEGY SHALL BE DEVELOPED WITH THE GOAL OF CREATING CONTIGUOUS TRACTS OF LAND FOR REDEVELOPMENT PURPOSES AND SHALL EVALUATE PRESENT AND FUTURE USES FOR REUSABLE PROPERTIES. SUCH PLAN SHALL BE UPDATED NO LESS OFTEN THAN EVERY FIVE YEARS.

(C) AFTER THE CREATION OF A WRITTEN INVENTORY AND COUNTYWIDE STRATEGY FOR REUSE, THE LAND BANK MAY, CONSISTENT WITH MUNICIPAL LAND USE AND STRATEGIC PLANS AND WITH THE APPROVAL OF THE GOVERNING BOARD OF THE MUNICIPAL CORPORATION, AS DEFINED IN SECTION 2 OF THE GENERAL MUNICIPAL LAW, IN WHICH THE REUSABLE PROPERTY IS LOCATED TAKE ACTIONS INCLUDING:

(I) ACQUISITION OF LAND;

(II) LEASING AND SALES OF LAND AND STRUCTURES;

(III) ADMINISTRATION, INVENTORY AND ASSESSMENT OF EXISTING PARCELS AND STRUCTURES;

(IV) PLANNING FOR REUSE CONSISTENT WITH LOCAL PLANS AND REINVESTMENT STRATEGIES; AND

(V) FOR PROPERTIES UNDER THE LAND BANK'S CONTROL: PROPERTY MAINTENANCE; REHABILITATION AND MANAGEMENT; DISASSEMBLY AND SALVAGE AND AS A LAST RESORT DEMOLITION.

S 4. Section 12 of section 1 of chapter 174 of the laws of 1968, constituting the New York state urban development corporation act, is amended by adding a new subdivision 1-a to read as follows:

(1-A)(A) UPON RECEIPT OF A RESOLUTION APPROVED BY A MAJORITY OF THE LEGISLATIVE BODY OF ANY COUNTY, THE CORPORATION MAY AT ITS DISCRETION ESTABLISH A SUBSIDIARY CORPORATION TO PERFORM THE FUNCTIONS OF A LAND BANK PURSUANT TO SUBDIVISION THIRTY OF SECTION THREE OF THIS ACT. THE CORPORATION SHALL ESTABLISH NO MORE THAN THREE LAND BANKS STATEWIDE, PROVIDED THAT NO TWO LAND BANKS BE ESTABLISHED WITHIN A SINGLE STATE REGION AS DEFINED BY THE DEPARTMENT OF ECONOMIC DEVELOPMENT. THE DIRECTORS OF SUCH SUBSIDIARY SHALL INCLUDE FIVE APPOINTEES FROM THE STATE URBAN DEVELOPMENT CORPORATION, AND TWO APPOINTEES EACH BY BOTH THE CHIEF ELECTED OFFICER AND LEGISLATIVE BODY OF THE COUNTY PETITIONING FOR THE CREATION OF THE SUBSIDIARY CORPORATION. MEMBERS OF THE SUBSIDIARY SHALL BE PERSONS WHO HAVE DEMONSTRATED SPECIAL INTEREST, EXPERIENCE, OR EDUCATION IN URBAN AND/OR REGIONAL PLANNING, REAL ESTATE, COMMUNITY DEVELOPMENT, NEIGHBORHOOD PRESERVATION, HISTORIC PRESERVATION, FINANCE OR RELATED AREAS.

(B) THE CORPORATION SHALL, FROM FUNDS APPROPRIATED FOR THE PURPOSES DESCRIBED IN PARAGRAPH (A) OF THIS SUBDIVISION, PROVIDE A GRANT TO AID IN THE OPERATION OF THE LAND BANK. THE LAND BANK SHALL ALSO BE ALLOWED TO ACCEPT AND DISTRIBUTE FUNDS FOR THE PURPOSES IN THIS SECTION CONSISTENT WITH PURPOSES DEFINED IN THIS SUBDIVISION.

S 5. This act shall take effect immediately.