

STATE OF NEW YORK

4094

2017-2018 Regular Sessions

IN ASSEMBLY

February 1, 2017

Introduced by M. of A. HOOPER -- read once and referred to the Committee on Local Governments

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. The county law is amended by adding a new section 55 to
2 read as follows:

3 § 55. Authorization to create a land bank. 1. As used in this section,
4 a "land bank" is a public corporation established to assist or engage in
5 the process of the effective conversion of vacant, abandoned and tax-
6 delinquent properties to productive use. Vacant and/or abandoned proper-
7 ty shall be deemed to be residential, commercial, and industrial build-
8 ings and empty lots that either threaten public safety including public
9 nuisances; and/or have been subject to the neglect of fundamental duties
10 of property ownership including, but not limited to, failure to pay
11 taxes or utility bills, defaults on mortgages, and liens against proper-
12 ty. Such process may, consistent with municipal land use and strategic
13 plans include, but need not be limited to, acquisition of land, leasing
14 and sales of land and structures, expedited foreclosure and title clear-
15 ance, administration, inventory and assessment of existing parcels and
16 structures, planning for reuse consistent with local plans and reinvest-
17 ment strategies, property maintenance, rehabilitation and management,
18 demolition, disassembly and salvage and providing for assistance for
19 nonprofit organizations involved in the rehabilitation and redevelopment
20 of properties.

21 2. The legislative body of any county may adopt a resolution calling
22 upon the state urban development corporation to establish a subsidiary
23 corporation to perform the functions of a land bank pursuant to section
24 twelve of the New York state urban development corporation act. When

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

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1 authorized by resolution of a county legislative body, the municipality
2 may transfer vacant and/or abandoned property to such a land bank corpo-
3 ration operating within its jurisdiction.

4 § 2. Section 3 of section 1 of chapter 174 of the laws of 1968,
5 constituting the New York state urban development corporation act, is
6 amended by adding a new subdivision 31 to read as follows:

7 (31) "Land bank" is a public corporation established to assist or
8 engage in the process of the effective conversion of vacant, abandoned
9 and tax-delinquent properties to productive use. Vacant and/or abandoned
10 property shall be deemed to be residential, commercial, and industrial
11 buildings and empty lots that either threaten public safety including
12 public nuisances; and/or have been subject to the neglect of fundamental
13 duties of property ownership including but not limited to failure to pay
14 taxes or utility bills, defaults on mortgages, and liens against proper-
15 ty. Such process may, consistent with municipal land use and strategic
16 plans, include, but need not be limited to acquisition of land, leasing
17 and sales of land and structures, expedited foreclosure and title clear-
18 ance, administration, inventory and assessment of existing parcels and
19 structures, planning for reuse consistent with local plans and rein-
20 vestment strategies, property maintenance, rehabilitation and manage-
21 ment, demolition, disassembly and salvage and providing for assistance
22 for nonprofit organizations involved in the rehabilitation and redevelop-
23 ment of properties.

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

27 (1-a) (a) Upon receipt of a resolution approved by a majority of the
28 legislative body of any county, the corporation shall establish a
29 subsidiary corporation to perform the functions of a land bank pursuant
30 to subdivision thirty-one of section three of this act. The directors of
31 such subsidiary shall include two appointees by both the chief elected
32 officer and legislative body of the county petitioning for the creation
33 of the subsidiary corporation. Members of the subsidiary shall be
34 persons who have demonstrated special interest, experience, or education
35 in urban and/or regional planning, real estate, community development,
36 neighborhood preservation, historic preservation, finance or related
37 areas. The corporation may condition the creation of a subsidiary land
38 bank on an agreement from the petitioning county to deed not less than
39 fifty percent of the vacant and abandoned property held by the munici-
40 pality to the subsidiary land bank.

41 (b) Notwithstanding any other provision of law, a subsidiary land bank
42 may institute a proceeding pursuant to article 19-A of the real property
43 actions and proceedings law.

44 (c) Notwithstanding any other provision of law, a subsidiary land bank
45 with agreement therefor from the county where property is located, may
46 borrow against future tax revenue increases. In addition, upon receiving
47 such agreement a subsidiary land bank may also borrow against future
48 savings associated with the decrease in costs on a block or multiple
49 blocks cleared and reverting to green space.

50 (d) Notwithstanding any other provision of law, a subsidiary land bank
51 may, upon such terms as it deems appropriate, convey title to any prop-
52 erty to which it obtains title pursuant to a proceeding pursuant to the
53 provisions of paragraph (a) of this subdivision or of article 19-A of
54 the real property actions and proceedings law to a private purchaser
55 provided such purchaser resides at the property as his or her primary
56 residence for a period of no less than two years. During the initial two

1 years after the conveyance to the private purchaser, the property shall
2 be exempt from ad valorem real estate taxes, provided the purchaser
3 continues to reside at the property as provided in this paragraph.
4 Thereafter, or earlier if the purchaser ceases to reside at the property
5 as his or her primary residence, the property shall be placed back on
6 the tax rolls and shall be subject to full taxation, unless it is other-
7 wise eligible for credits against such taxation.

8 § 4. This act shall take effect immediately.