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2009-2010 Regular Sessions

I N A S S E M B L Y

(PREFILED)

January 7, 2009

Introduced by M. of A. HOYT, DelMONTE, SCHROEDER, STIRPE, FINCH, GIGLIO, MAGNARELLI, MILLMAN, SCHIMEL, JAFFEE, KOON, BROOK-KRASNY, GORDON, CAHILL -- Multi-Sponsored by -- M. of A. BOYLAND, BRENNAN, BURLING, CHRISTENSEN, DESTITO, ERRIGO, GABRYSZAK, MAISEL, McENENY, McKEVITT, MOLINARO, QUINN, ROBINSON, WEISENBERG -- 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. 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 Association of Erie County estimates that the city of Buffalo has
5 13,000 vacant parcels, 4,000 vacant structures and an estimated 22,290
6 vacant residential units. This condition of vacant and abandoned property represents lost revenue to local governments and large costs ranging
7 from demolition, effects of safety hazards and spreading deterioration
8 of neighborhoods including resulting mortgage foreclosures.

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

17 The legislature further finds that these challenges are often beyond
18 the capacity of cities and metro areas in the state and that a means of
19 state and local partnership is required to regenerate economies with
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EXPLANATION--Matter in *ITALICS* (underscored) is new; matter in brackets [] is old law to be omitted.

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significant vacant and abandoned property. Partnership between state and local government is necessary for a vacant property initiative.

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

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

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

ARTICLE 5-C

LAND BANK

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

S 285. AUTHORIZATION TO PETITION FOR CREATION OF A LAND BANK. 1. DEFINITIONS. AS USED IN THIS SECTION, A "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 NINETEEN HUNDRED SEVENTY-ONE 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 TWO 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 PLAN 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.

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

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

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

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

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

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

24 (I) ACQUISITION OF LAND;

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

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

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

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

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

36 (1-A)(A) UPON RECEIPT OF A RESOLUTION APPROVED BY A MAJORITY OF THE
37 LEGISLATIVE BODY OF ANY COUNTY, THE CORPORATION MAY AT ITS DISCRETION
38 ESTABLISH A SUBSIDIARY CORPORATION TO PERFORM THE FUNCTIONS OF A LAND
39 BANK PURSUANT TO SUBDIVISION THIRTY OF SECTION THREE OF THIS ACT. THE
40 CORPORATION SHALL ESTABLISH NO MORE THAN THREE LAND BANKS STATEWIDE,
41 PROVIDED THAT NO TWO LAND BANKS BE ESTABLISHED WITHIN A SINGLE STATE
42 REGION AS DEFINED BY THE DEPARTMENT OF ECONOMIC DEVELOPMENT. THE DIREC-
43 TORS OF SUCH SUBSIDIARY SHALL INCLUDE FIVE APPOINTEES FROM THE STATE
44 URBAN DEVELOPMENT CORPORATION, AND TWO APPOINTEES EACH BY BOTH THE CHIEF
45 ELECTED OFFICER AND LEGISLATIVE BODY OF THE COUNTY PETITIONING FOR THE
46 CREATION OF THE SUBSIDIARY CORPORATION. MEMBERS OF THE SUBSIDIARY SHALL
47 BE PERSONS WHO HAVE DEMONSTRATED SPECIAL INTEREST, EXPERIENCE, OR EDUCA-
48 TION IN URBAN AND/OR REGIONAL PLANNING, REAL ESTATE, COMMUNITY DEVELOP-
49 MENT, NEIGHBORHOOD PRESERVATION, HISTORIC PRESERVATION, FINANCE OR
50 RELATED AREAS.

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

56 S 5. This act shall take effect immediately.