

SULLIVAN COUNTY LAND BANK CORPORATION
REAL PROPERTY ACQUISITION POLICY

Section 1. DEFINITIONS

As used herein, the follow terms shall have the meanings set forth below.

- a. "SCLBC" shall mean the Sullivan County Land Bank Corporation (SCLBC), a Land Bank Corporation organized under New York State Not-For-Profit Corporation Law.
- b. "Land Bank" shall mean the Sullivan County Land Bank Corporation (SCLBC).
- c. "Board" shall mean the Board of the Sullivan County Land Bank Corporation (SCLBC).
- d. "Acquisition" or "Acquire" shall mean the transfer to the Land Bank of title or any other beneficial interest in Real Property in accordance with these Guidelines and the Law of the State of New York.
- e. "Disposition of Real Property" or "Dispose of Real Property" shall mean the transfer from the Sullivan County Land Bank Corporation of title, tax lien or any beneficial interest in Real Property in accordance with this Policy, and the Laws of the State of New York to any individual or entity.
- f. "Policy" shall mean this Real Property Acquisition Policy, as amended from time to time by resolution of the Board.
- g. "Holding Period" shall mean the estimated time period that the Land Bank will hold an acquired parcel of Real Property and which shall be estimated prior to the Board considering Acquisition.
- h. "N-PCL" shall mean the New York Not-For-Profit Corporation Law, as amended from time to time.
- i. "PAL" shall mean the New York Public Authorities Law, as amended from time to time.
- j. "Purchase" shall mean that process of Acquisition of Real Property by the Land Bank whereby consideration of any kind is given to a third party transferor by the Land Bank for the compensation of the third party transferor in reference to the Real Property Acquired.
- k. "Gift" or "Donation" shall mean that process of Acquisition of Real Property by the Land Bank whereby no compensation is provided to the third party transferor in reference to the Real Property Acquired.
- l. "Real Property" shall mean lands, lands under water, structures and any and all easements, air rights, franchises and incorporeal hereditaments and every estate and right therein, legal and equitable, including terms for years and liens by way of judgment, mortgage or otherwise, and any and all fixtures and improvements located thereon.

Section 2. CONTROLLING LEGISLATION

- 2.1 PAL §2824(e) requires the Land Bank to establish a written policy concerning the Acquisition of Real Property by the Land Bank. The N-PCL places statutory restrictions upon the ability of the Land Bank to Acquire Real Property.
- 2.2 These Guidelines are intended to be consistent with and shall be constructed in accordance with the PAL and N-PCL. The Land Bank shall acquire Real Property in accordance with these Guidelines, the PAL and the N-PCL.

Section 3. ACQUISITION OF PROPERTY BY THE LAND BANK

- 3.1 Methods of Acquisition – The Land Bank may Acquire Real Property or any interest in Real Property by gift, devise, transfer, exchange, foreclosure, purchase or otherwise on terms and conditions that the Land Bank considers proper.

- 3.2 Board Approval – The Land Bank shall not Acquire any interest in any Real Property unless such Acquisition is authorized by a vote of two-thirds of the Board as required pursuant to N-PCL §509.
- 3.3 Geographical Area Limitation – The Land Bank shall not own any Real Property outside of the jurisdictional boundaries of the County of Sullivan, NY, in compliance with N-PCL §1608(e).
- 3.4 Character of Property – Pursuant to N-PCL §1608(g) the Acquisition of Real Property by the Land Bank from entities other than the County of Sullivan, NY and its constituent municipalities shall be limited to Real Property that is tax delinquent, tax foreclosed, vacant or abandoned, provided, however, that the Land Bank may Purchase other Real Property consistent with an approved redevelopment plan.
- 3.5 Inventory List – Pursuant to N-PCL §1608(h) and 1608(i) within one week of the Acquisition of any parcel of Real Property, the SCLBC shall inventory the Acquired parcel in a publicly available inventory list. The list shall include the following details regarding every parcel of Real Property so Acquired i) the location; ii) the purchase price; iii) the current assessed value; iv) any amount owed to a locality for real property taxation; v) the identity of the transferor; and vi) any known conditions or restrictions applicable to the property.
- 3.6 Every parcel of Real Property Acquired by the SCLBC shall remain on the inventory list until at least one week prior to any disposal of any interest in said Real Property.
- 3.7 Failure to comply with the provisions of N-PCL §1608(h) and 1608(i), with regards to any individual parcel of Real Property, may cause the Acquisition of that parcel to be null and void as set forth in N-PCL §1608(g).

Section 4. FACTORS TO BE CONSIDERED PRIOR TO ACQUISITION

When contemplating the Acquisition of Real Property the Board, or an appropriately empowered committee of the Board, shall take into consideration the following factors as may be relevant:

- 4.1 Properties that support the mission of the SCLBC.
- 4.2 Properties that have funding and a maintenance plan in place.
- 4.3 Proposal or requests by governmental, nonprofit and for-profit entities that identify specific properties for ultimate acquisition and redevelopment, which: a) act as catalyst for further development; b) are part of a comprehensive development plan; c) support infrastructure, public and green space development; and/or d) reduce blight in the community. In particular, acquisition will be prioritized where the land bank participation is necessary to complete the redevelopment. In the case of municipal involvement, inter-local agreements (if required for development or maintenance) must be in place prior to acquisition.
- 4.4 Properties that are available for immediate occupancy without need for substantial rehabilitation.
- 4.5 Properties that would strategically support neighborhood stabilization and revitalization.
- 4.6 Properties that meet the criteria for demolition, and such demolition will support blight elimination and neighborhood revitalization plans. This activity is contingent upon the funding available for the SCLBC to facilitate demolition.
- 4.7 Properties that form a part of a land assemblage development plan by either the SCLBC or partnering entities (i.e. land banking).
- 4.8 Properties that are vacant, non-conforming, or undevelopable such that it could be placed into a Side Lot Disposition Program or support a planned development

- 4.9 Properties that may generate operating support for the functions of the SCLBC.
- 4.10 Properties that are absent of any financial liabilities.
- 4.11 Full awareness of properties with any substantive environmental conditions. If such adverse conditions exist, then a remediation plan with secured funding must be in place.
- 4.12 Properties that would allow for the creation or expansion of green or community space and gardens.
- 4.13 Properties without title issues that would prevent the property from being developed to its highest and best use.
- 4.14 Properties that have a designated end use in place prior to acquisition.
- 4.15 Properties that have significant historic value.
- 4.16 Properties that are near schools, senior centers, or in highly visible areas that may pose safety issues to the community, or have an undue blighting influence.
- 4.17 Any exception to the policies governing acquisition shall be taken to the governing body of the Land Bank for approval.

Section 5. MISCELLANEOUS

- 5.1 All properties acquired must have a maintenance plan in place that, at a minimum, ensures that as soon as practical after acquisition, the property will be secure and in compliance with all relevant Municipal Codes and present no imminent threat to the health and safety of the public and/or adjoining properties.
- 5.2 Acquisition decisions should be supported by a budget which projects all anticipated costs of acquiring, holding, developing (if applicable), and disposing of the property.
- 5.3 In no event should the Board approve the acquisition of a property for which general liability insurance is not available.
- 5.4 Any exception to these policies governing acquisition shall be taken to the full governing body of the Land Bank for approval.
- 5.5 In the case of Real Property donated to the SCLBC or conveyed at less than full market value, the SCLBC will not determine donation value for the purpose of tax benefits, but will provide a letter describing the property donated as a contemporaneous written acknowledgment under section 170(1)(8) of the Internal Revenue Code. The Grantor will be advised of the status of the SCLBC as a tax exempt entity and advised to share that information with a qualified professional who can advise the Grantor with respect to any potential tax consequences.
- 5.6 This policy shall take effect immediately upon adoption by resolution of the Board of the Sullivan County Land Bank Corporation (SCLBC). The Board retains the right to modify this policy at any time. This policy may also be modified as necessary to comply with the law, or to reflect new programs implemented by the Land Bank.
- 5.7 The Property Acquisition Committee, or such other committee as may be designated by the Board, shall, consistent with this Policy, review the terms of any proposed Acquisition of Real Property, whether by purchase, donation or otherwise, and make its recommendation to the full Board.