

# ESSEX COUNTY LAND BANK CORPORATION

## REAL PROPERTY ACQUISITION GUIDELINES

1. **Definitions.** As used herein, the following terms shall have the meaning set forth below.
  - a. **“Board”** shall mean the Board of Directors of the Essex County Land Bank Corporation.
  - b. **“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.
  - c. **“Guidelines”** shall mean these Guidelines, as amended from time to time by resolution of the Board.
  - d. **“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 the Acquisition.
  - e. **“Land Bank”** shall mean the Essex County Land Bank Corporation.
  - f. **“Purchase”** shall mean the 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.
  - g. **“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.
2. **Controlling Legislation.**
  - a. **New York Public Authorities Law (PAL) §2824(e)** requires the Land Bank to establish a written policy concerning the Acquisition of Real Property by the Land Bank. **New York Not-For-Profit Corporation Law (N-PCL)** places statutory restrictions upon the ability of the Land Bank to Acquire Real Property.
  - b. These guidelines are intended to be consistent with and shall be construed 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.
3. **Acquisition of Property by the Land Bank.**
  - a. **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.
  - b. **Board Approval.** The Land Bank shall not acquire any interest in any Real property by Purchase unless such purchase is authorized by a vote of two-thirds of the Board as required pursuant to N-PCL §509. Acquisition of Real Property by other than Purchase shall require a simple majority vote of the Board.
  - c. **Geographical Area Limitation.** The Land Bank shall not own any Real Property outside of the jurisdictional boundaries of Essex County in compliance with N-PCL §1608(e).
  - d. **Character of the Property.** Pursuant to N-PCL §1608(g) the Acquisition of Real Property by the Land Bank from entities other than Essex County shall be limited to real property that is tax delinquent, tax foreclosed, vacant or abandoned; provide however that the land Bank may purchase other Real property consistent with an approved redevelopment plan.
  - e. **Inventory List.** Pursuant to N-PCL §§1608(h) and 1608(i), within one week of the Acquisition of any parcel of Real Property, the Land Bank 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 conditions or restrictions applicable to the property.**

**f. Every parcel of Real Property Acquired by the Land Bank shall remain on the inventory list at least one week prior to any disposal of any interest in said Real Property. Failure to comply with the provision of this section shall, with regards to any individual parcel of Real Property, cause the Acquisition of that parcel to be null and void as required by N-PCL §1608(g).**

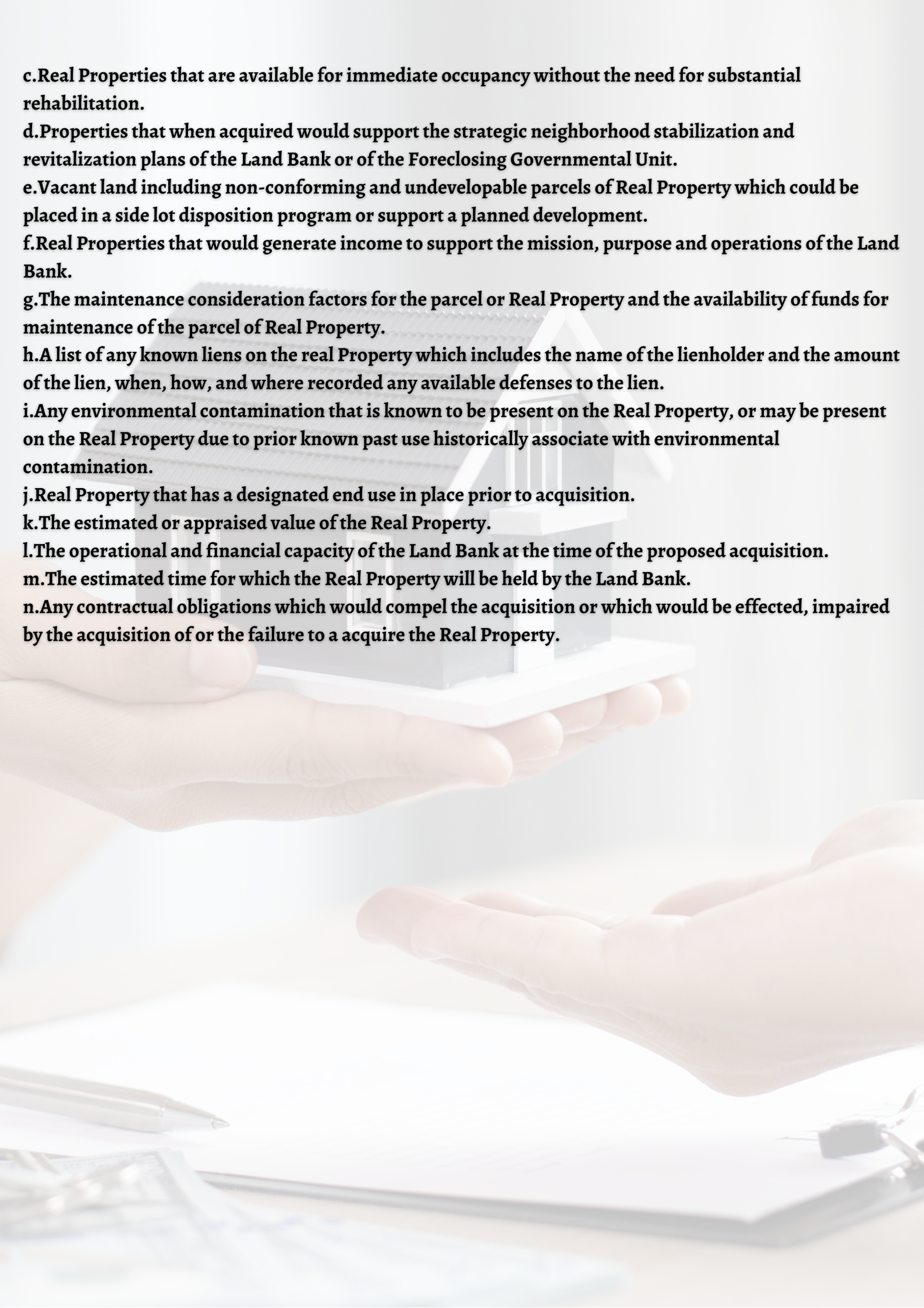
**g. Maintenance Consideration Factors. Prior to authorizing the Acquisition of a parcel of Real Property, the Board should, when feasible, consider the following maintenance consideration factors:**

- i. Taxes – any taxes remaining unpaid for the current tax status year that will be required to be paid, current special assessments and projected special assessment for the Holding Period.**
- ii. Water – any non-discharged water charges, as well as water charges owed by no yet billed, and projected water charges during the Holding Period.**
- iii. Routine Land Maintenance – projected costs during the holding period for mowing, tree maintenance, and snow removal.**
- iv. Trash Removal – estimated trash removal costs for properties in immediate need, as well as projected costs during the Holding Period.**
- v. Property Structure maintenance – projected costs during the holding period for:**
  - 1. Repair or remediation of immediate dangers (demolition, repairs);**
  - 2. Repairs required to maintain the habitability of occupied structures;**
  - 3. Repairs necessary to protect the investment of the Land Bank (roofs, siding, painting, board ups of windows and doors);**
  - 4. Discretionary repairs to comply with codes, or to improve marketability; and**
  - 5. Removal of trash, debris and abandoned property from abandoned or vacated structures intended to be marketed for resale.**
- 6. Legal Costs – projected to be expended by the Land Bank for the property including clearing of title, acquisition and disposition, and any other foreseeable legal costs to be incurred during the Holding Period.**
- 7. Appraisal – a reasonable estimate of the appraisal cost associated with the resale of the property.**
- 8. Environmental Costs – estimated costs associated with acquiring and holding the property during the Holding Period, required prior to disposal, and potential future claims for environmental remediation.**
- 9. The maintenance requirements imposed by N-PCL §1608(d).**

**4. Factors to be Considered Prior to Acquisition. When contemplating an acquisition of a parcel of Real Property the Board shall consider the following factors when applicable:**

- a. Proposals and requests from individuals or entities that identify a specific parcel or parcels of Real Property for acquisition and redevelopment which may act as a catalyst for further development, is part of a comprehensive development plan, supports infrastructure, or reduces blight in the community.**
- b. Real Properties where the participation of the Land Bank is necessary to complete the development because of title issues or other failure in the marketplace.**



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- c. Real Properties that are available for immediate occupancy without the need for substantial rehabilitation.**
- d. Properties that when acquired would support the strategic neighborhood stabilization and revitalization plans of the Land Bank or of the Foreclosing Governmental Unit.**
- e. Vacant land including non-conforming and undevelopable parcels of Real Property which could be placed in a side lot disposition program or support a planned development.**
- f. Real Properties that would generate income to support the mission, purpose and operations of the Land Bank.**
- g. The maintenance consideration factors for the parcel or Real Property and the availability of funds for maintenance of the parcel of Real Property.**
- h. A list of any known liens on the real Property which includes the name of the lienholder and the amount of the lien, when, how, and where recorded any available defenses to the lien.**
- i. Any environmental contamination that is known to be present on the Real Property, or may be present on the Real Property due to prior known past use historically associate with environmental contamination.**
- j. Real Property that has a designated end use in place prior to acquisition.**
- k. The estimated or appraised value of the Real Property.**
- l. The operational and financial capacity of the Land Bank at the time of the proposed acquisition.**
- m. The estimated time for which the Real Property will be held by the Land Bank.**
- n. Any contractual obligations which would compel the acquisition or which would be effected, impaired by the acquisition of or the failure to a acquire the Real Property.**