

ESSEX COUNTY LAND BANK CORPORATION

REAL PROPERTY ACQUISITION GUIDELINES

(Reapproved June 2025 by Unanimous Vote of the Board of Directors)

Definitions

As used herein, the following terms shall have the meaning set forth below:

- **“Board”** shall mean the Board of Directors of the Essex County Land Bank Corporation.
- **“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.
- **“Guidelines”** shall mean these Guidelines, as amended from time to time by resolution of the Board.
- **“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.
- **“Land Bank”** shall mean the Essex County Land Bank Corporation.
- **“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.
- **“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.

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Controlling Legislation

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.

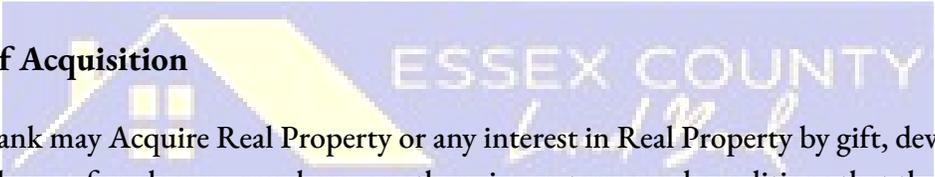
New York Not-For-Profit Corporation Law (N-PCL) places statutory restrictions upon the ability of the Land Bank to Acquire Real Property.

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.

Acquisition of Property by the Land Bank

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.

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.

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).

Character of the Property

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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**; provided, however, that the Land Bank may purchase other Real Property consistent with an approved redevelopment plan.

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:

- The location;
- The purchase price;
- The current assessed value;
- Any amount owed to a locality for real property taxation;
- The identity of the transferor; and
- Any conditions or restrictions applicable to the property.



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 regard 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).

Maintenance Consideration Factors

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Prior to authorizing the Acquisition of a parcel of Real Property, the Board should, when feasible, consider the following maintenance consideration factors:

- **Taxes** – any taxes remaining unpaid for the current tax status year that will be required to be paid, current special assessments, and projected special assessments for the Holding Period.
- **Water** – any non-discharged water charges, as well as water charges owed but not yet billed, and projected water charges during the Holding Period.
- **Routine Land Maintenance** – projected costs during the holding period for mowing, tree maintenance, and snow removal.
- **Trash Removal** – estimated trash removal costs for properties in immediate need, as well as projected costs during the Holding Period.
- **Property Structure Maintenance** – projected costs during the holding period for:
 - Repair or remediation of immediate dangers (demolition, repairs);
 - Repairs required to maintain the habitability of occupied structures;
 - Repairs necessary to protect the investment of the Land Bank (roofs, siding, painting, board-ups of windows and doors);
 - Discretionary repairs to comply with codes or improve marketability; and
 - Removal of trash, debris, and abandoned property from vacated structures intended to be marketed for resale.
- **Legal Costs** – projected legal costs including title clearing, acquisition/disposition filings, and other foreseeable legal costs during the Holding Period.

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- **Appraisal** – reasonable estimate of the appraisal cost associated with the resale of the property.
- **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.
- **Maintenance Requirements** – as imposed by N-PCL § 1608(d).

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:

- Proposals or requests identifying specific parcels for acquisition and redevelopment that may act as catalysts for further development, are part of a comprehensive plan, support infrastructure, or reduce blight.
- Real Properties where Land Bank participation is necessary due to title issues or market failure.
- Real Properties available for immediate occupancy without substantial rehabilitation.
- Properties that support the strategic neighborhood stabilization and revitalization plans of the Land Bank or the Foreclosing Governmental Unit.
- Vacant land, including non-conforming and undevelopable parcels that could be placed in a side-lot program or support planned development.
- Real Properties that would generate income to support the mission and operations of the Land Bank.

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- Maintenance consideration factors and availability of funds for ongoing maintenance.
- Any known liens, including lienholder identity, amount, recording details, and available defenses.
- Known or suspected environmental contamination based on prior site use.
- Properties with a designated end use in place prior to acquisition.
- Estimated or appraised value of the Real Property.
- Operational and financial capacity of the Land Bank at the time of acquisition.
- Estimated holding period for the Real Property.
- Any contractual obligations that would compel or be affected by the acquisition or failure to acquire.

Delegated Authority for Real Estate Closings and Grant-Funded Acquisitions

Executive Authorization

Pursuant to New York Public Authorities Law § 2824(e) and N-PCL § 509, the **Executive Director** of the Essex County Land Bank Corporation is hereby authorized to:

- Execute all documents related to **real estate closings** on behalf of the Land Bank, including purchase contracts, deeds, transfer documents, settlement statements, affidavits, and related legal instruments necessary to complete acquisition and disposition transactions;

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- **Purchase, accept, or otherwise acquire real property** in accordance with these Guidelines when such property is being acquired, held, or improved as part of an approved and funded grant program administered by the Land Bank;
- **Hold title to, manage, and perform predevelopment or redevelopment activities** on such properties consistent with the terms, purposes, and funding limitations of the applicable grant program; and
- Sign all **closing and compliance documents** required by lenders, municipalities, or state and federal funding agencies.

Conditions of Delegation

This delegated authority shall apply only to properties and activities that are:

- Fully funded through an approved grant program or other restricted award;
- Consistent with the Land Bank's adopted mission and statutory purpose under N-PCL § 1608; and
- Reported to the Board through the Land Bank's property inventory and grant performance tracking systems.

Annual Reauthorization

The Board of Directors shall, by resolution, review and reauthorize this delegation of authority **annually**, confirming that it remains consistent with current grant awards, program requirements, and internal controls.

Any changes to this authorization shall require Board approval by simple majority vote.