Intro. Res. No. 1296-2012 Laid on Table 3/13/2012
Introduced by Presiding Officer, on request of the County Executive and Legislators Cilmi, Gregory

RESOLUTION NO. 114 -2012, ADOPTING LOCAL LAW NO. -2012, A LOCAL LAW TO CREATE THE SUFFOLK COUNTY LANDBANK CORPORATION

WHEREAS, there was duly presented and introduced to this County Legislature at a regular meeting held on March 13, 2012, a proposed local law entitled, "**A LOCAL LAW TO CREATE THE SUFFOLK COUNTY LANDBANK CORPORATION**"; and said local law in final form is the same as when presented and introduced; now, therefore be it

RESOLVED, that said local law be enacted in form as follows:

LOCAL LAW NO. -2012, SUFFOLK COUNTY, NEW YORK

A LOCAL LAW TO CREATE THE SUFFOLK COUNTY LANDBANK CORPORATION

BE IT ENACTED BY THE COUNTY LEGISLATURE OF THE COUNTY OF SUFFOLK, as follows:

Section 1. Legislative Intent.

This Legislature hereby finds and determines that many communities are struggling to cope with vacant, abandoned, and tax-delinquent properties, resulting in lost revenue to the County and local governments and leading to the deterioration of neighborhoods and business districts.

This Legislature also finds and determines that due to the liabilities associated with many of these properties and the cost of potential public health and safety mitigation, the County may be unable or have no authority to take control and redevelop these properties.

This Legislature further finds that Article 16 of the New York Not-For-Profit Corporation Law authorizes a municipality that is deemed a "foreclosing governmental unit," such as Suffolk County, to create a land bank, through local law, incorporation, and application to the New York State Empire State Development Corporation, for the purpose of acquiring real property that is tax delinquent; tax foreclosed; vacant; or abandoned in order to design; develop; construct; demolish; reconstruct; rehabilitate; renovate; relocate; and otherwise improve upon banked real property.

This Legislature also finds and determines that a land bank can serve to free up strategic brownfield sites and provide for local involvement in the disposition and re-use of these sites.

This Legislature finds and declares that Suffolk County has, for the past two decades, accumulated in excess of $20 million in back taxes on several dozen vacant, abandoned, environmentally contaminated tax-delinquent properties otherwise known as brownfields and has been prohibited by the Suffolk County Tax Act to sell for less than the amount of the taxes owed. There is an economic redevelopment opportunity in this crisis. A report issued by New Partners for Community Revitalization cites that the cleanup and redevelopment of brownfield

properties lead to property value increases on the order of 5% to 15% for properties that are up to 3/4 mile from the site and research by noted academic and planner Marie Howland indicates that the economic benefits, estimated using a dynamic simulation model, predict that on a national basis, 10 to 11 jobs are created per developed acre with an annual tax flow of $5,470 per job.

This Legislature also finds that a land bank shall constitute a Type C not-for-profit corporation under the law and accordingly, will be a significant economic development tool in that it is empowered to take discretionary action with regard to vacant, abandoned, and tax-delinquent properties that the County is currently restrained from taking, such as selling delinquent tax liens for more or less than the face amount of the tax liens.

Therefore, the purpose of this law is to establish the "Suffolk County Landbank Corporation."

Section 2. Creation of the Suffolk County Landbank Corporation.

A.) The County Executive and/or his designee(s) are hereby authorized, empowered and directed to take all steps necessary to create and cause the incorporation of the not-for-profit "Suffolk County Landbank Corporation" pursuant to Article 16 of the New York Not-For-Profit Corporation Law, including submission of all applicable documentation for application to the New York State Empire State Development Corporation.

B.) The Suffolk County Landbank Corporation shall be created for the purposes and shall exercise and perform the powers set forth herein in accordance with the provisions of the Certificate of Incorporation, the by-laws and Article 16 of the New York Not-For-Profit Corporation Law.

C.) Properties and/or tax liens shall only be transferred to the Suffolk County Landbank Corporation via duly adopted resolution of the Suffolk County Legislature.

D.) All actions of the Suffolk County Landbank Corporation require approval by two-thirds (2/3) vote of its membership and the two-thirds (2/3) must include the representative of the County Executive and a representative of the Legislature who serve as Directors.

E.) Any borrowing or bonding by the Suffolk County Landbank Corporation shall be for capital purposes only; borrowing or bonding shall not be authorized for operating expenses. Approval of borrowing or bonding by the Suffolk County Landbank Corporation shall require a unanimous vote of all Directors.

F.) The Suffolk County Landbank Corporation shall contract in writing with Suffolk County for all of its operating expenses, including but not limited to personnel, overhead, supplies and equipment and such contract shall include terms for repayment of all expenses.

G.) Funds received by the Suffolk County Landbank Corporation shall be remitted to the County to reimburse the County for:

i.) start-up costs;
ii.) the balance of any tax lien transferred to the Suffolk County Landbank Corporation for less than the full amount of the lien, including any interest

and penalties, which interest and penalties shall continue to accrue on each lien until paid in full;

iii.) the difference between the value of any property transferred to the Suffolk County Landbank Corporation for less than the full amount of the value of the property, including any charges and assessments;

iv.) the cost of any County personnel, overhead, supplies and equipment assigned to the Suffolk County Landbank Corporation pursuant to Section 2. F. above.

Section 3. Board of Directors

A.) The initial Board of Directors (the "Board") of the Corporation shall consist of seven members as follows:

i.) DuWayne Gregory, Suffolk County Legislator
ii.) Thomas Cilmi, Suffolk County Legislator
iii.) Mark Lesko, Brookhaven Town Supervisor
iv.) Adrienne Esposito, Citizens Campaign for the Environment
v.) Sarah Lansdale, Suffolk County Director of Planning
vi.) James Tomarken, Suffolk County Commissioner of Health
vii.) Jonathan M. Schneider, Deputy County Executive

B.) Members of the Board shall serve staggered terms. Of the initial members appointed:

i.) two shall be appointed for one-year;
ii.) two shall be appointed for two-years; and
iii.) three shall be appointed for three-years.

Thereafter, each member shall serve a term of three years.

C.) Notwithstanding the foregoing, members shall be appointed as follows:

i.) One Director shall be selected by the Majority Leader of the Suffolk County Legislature, with the approval of the Suffolk County Legislature (hereinafter the "Legislature"). This shall initially be a one-year term, and will be filled by DuWayne Gregory.

ii.) One Director shall be selected by the Minority Leader of the Legislature, with the approval of the Legislature. This shall initially be a one-year term and will be filled by Thomas Cilmi.

iii.) One Director shall be the President of the Suffolk County Supervisors' Association, or a successor organization. This shall initially be a two-year term and will be filled by Mark Lesko.

iv.) One Director shall be a representative of environmental organizations in Suffolk County, selected by the County Executive of Suffolk County, with the approval of the Legislature. This shall initially be a two-year term, and will be filled by Adrienne Esposito.

v.) One Director shall be the Commissioner of the Suffolk County Department of Health Services. This shall initially be a three-year term and will be filled by James Tomarken.

vi.) One Director shall be the Suffolk County Director of Planning. This shall initially be a three-year term and will be filled by Sarah Lansdale.

vii.) One Director shall be appointed by the County Executive. This shall initially be a three-year term and will be filled by Jonathan M. Schneider.

Section 3. Articles of Incorporation

The Certificate of Incorporation of the Suffolk County Landbank Corporation, in substantially the same form as attached hereto, shall be filed with the New York State Department of State upon approval by the New York Empire State Development Corporation of the application for the creation of the Corporation.

Section 4. Applicability.

This law shall apply to any actions occurring on or after the effective date of this law.

Section 5. Severability.

If any clause, sentence, paragraph, subdivision, section or part of this law or the application thereof to any person, individual, corporation, firm, partnership, entity, or circumstance, shall be adjudged by any court of competent jurisdiction to be invalid or unconstitutional, such order or judgment shall not effect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, subdivision, section or part of this law, or in its application to the person, individual, corporation, firm, partnership, entity, or circumstance, directly involved in the controversy in which such judgment or order shall be rendered.

Section 6. SEQRA Determination.

This Legislature, being the State Environment Quality Review Act (SEQRA) lead agency, hereby finds and determines that this law constitutes a Type II action pursuant to Section 617.5(c)(20) and/or (27) of Title 6 of the NEW YORK CODE OF RULES AND REGULATIONS (6 NYCRR) and within the meaning of Section 8-0109(2) of the NEW YORK ENVIRONMENTAL CONSERVATION LAW as a promulgation of regulations, rules, policies, procedures, and legislative decisions in connection with continuing agency administration, management and information collection. The Suffolk County Council on Environmental Quality (CEQ) is hereby directed to circulate any appropriate SEQRA notices of determination of non-applicability or non-significance in accordance with this law.

Section 7. Effective Date.

This law shall take effect immediately upon filing in the Office of the Secretary of State.

DATED: March 13, 2012

APPROVED BY:

County Executive of Suffolk County

Date:

BY-LAWS

The Suffolk County Landbank Corporation

ARTICLE I: Name and Address

Name. The name of the Land Bank is the Suffolk County Landbank Corporation (hereinafter referred to as the "Land Bank"). The address of the Land Bank is: 100 Veterans Memorial Highway, Hauppauge, NY 11788

ARTICLE II: Directors

Section 1. **General Powers.** The business affairs of the Land Bank shall be managed by a Board of Directors, except as otherwise provided by statute or by these by-laws.

Section 2. **Board of Directors.** The initial Board of Directors (the Board of Directors is hereinafter referred to as the "Board") of the Land Bank shall consist of the seven individuals named in the Certificate of Incorporation. The size of the Board may be adjusted by vote of the Board, and if so adjusted, qualifications for any newly established seat shall be set forth, or the specific seats eliminated shall be identified, as the case may be.

Section 3. **Terms, Replacement and Vacancies.** Members of the Board shall serve staggered terms. Of the initial members appointed, two shall be appointed for one year, two shall be appointed for two years, and three shall be appointed for three years. Thereafter, each member shall serve a term of three years. Notwithstanding the foregoing, Directors shall be appointed as follows:

1. One Director shall be a member of the Suffolk County Legislature (hereinafter the "Legislature"), selected by the Majority Leader of the Legislature, with the approval of the Legislature. This shall initially be a one-year seat.
2. One Director shall be a member of the Legislature selected by the Minority Leader of the Legislature, with the approval of the Legislature. This shall initially be a one-year seat.
3. One Director shall be the President of the Suffolk County Supervisors' Association, or a successor organization. This shall initially be a two-year seat.
4. One Director shall be a representative of environmental organizations in Suffolk County, selected by the County Executive of Suffolk County, with the approval of the Legislature. This shall initially be a two-year seat.
5. One Director shall be the Commissioner of the Suffolk County Department of Health Services. This shall initially be a three-year seat.

6. One Director shall be the Suffolk County Director of Planning. This shall initially be a three-year seat.
7. One Director shall be selected by the County Executive. This shall initially be a three-year seat.

A Director whose term of office on the Board has expired shall continue to hold office until a successor has been appointed. If a vacancy is created by death, resignation or change in the identity of the individual holding the underlying office, a successor shall be appointed within thirty (30) days of the vacancy, to hold office for the remainder of the term of office so vacated. A vacancy on the Board shall be filled in the same manner and with the same qualifications as the original appointment.

Section 4. **Removal.** A Director may be removed from office for neglect of duty, misconduct or malfeasance, by a vote of the Board, excluding the individual whose conduct is in question. The seat of the removed Director shall be filled by the Board, and the individual so appointed shall serve until an individual other than the one removed fills the underlying office qualifications for the seat in question.

Section 5. **Conflict of Interest.** A Director who has a direct or indirect interest in any matter before the Land Bank shall disclose his/her interest prior to any discussion of the matter by the Land Bank, which disclosure shall become part of the record of the Land Bank's official proceedings. The interested Director shall further refrain from participation in the Land Bank's action relating to the matter. Upon taking office, each Director shall acknowledge in writing that he or she has read and agrees to abide by this section.

Section 6. **Meetings.** The Board shall meet in regular session according to a schedule adopted by the Board, and also shall meet in special session as convened by the Chairman or upon written notice signed by a majority of the Directors. The meetings of the Board shall be public, and the appropriate notice of such meetings shall be provided to the public. The Board shall establish rules and requirements relative to the attendance and participation of Directors in its meetings, regular or special. Such rules and regulations may prescribe a procedure whereby, should any Director fail to comply with such rules and regulations, such Director may be disqualified and removed automatically from office by no less than a two-thirds vote of the remaining Directors of the entire Board, and that Director's position shall be vacant as of the first day of the next calendar month. Any person removed under the provisions of this paragraph shall be ineligible for reappointment to the Board, unless such reappointment is confirmed unanimously by the Board.

Section 7. **Notice.** Notice of any meetings shall be given in accordance with the Open Meetings Law (Public Officers Law, Article 7), as amended.

Section 8. **Powers.** Directors shall serve without compensation, shall have the power to organize and reorganize the executive, administrative, clerical, and other departments of the Land Bank and to fix the duties, powers, and compensation of all employees, agents, and consultants of the Land Bank. The Board may reimburse any member for expenses actually incurred in the performance of duties on behalf of the Land Bank.

Section 9. **Quorum and Board Action.** Two-thirds of the Directors shall constitute a quorum for the conduct of business, provided that a majority of the Board present may adjourn the meeting from time to time without further notice. The vote of two-thirds of all Directors, which must include the Director representing the County Executive and at least one of the Directors who is a member of the Legislature, constitutes the action of the Board, unless the vote of a larger number is required by statute or the by these by-laws. All actions of the Board shall be approved by the affirmative vote of such two-thirds of the total Board, which must include the Director who is the representative of the County Executive, and at least one of the Directors who is a member of the Legislature.

The foregoing provision notwithstanding, any vote of the Board to borrow or to issue bonds shall require the unanimous approval of the entire Board.

Vote by proxy shall not be permitted. Any member may request a recorded vote on any resolution or action of the Land Bank.

Section 10. **Liability.** Directors shall not be liable personally on the bonds or other obligations of the Land Bank, and the rights of creditors shall be solely against the Land Bank.

Each director, officer and employee shall be a state officer or employee for the purposes of §§ 73 and 74 of the Public Officers Law.

Section 11. **Committees.** The Board may, by resolution passed by vote of the Board, designate one or more committees, each committee to consist of one or more of the Directors of the Land Bank. The Board may designate one or more Directors as alternate members of a committee, who may replace an absent or disqualified member at a meeting of the committee. In the absence or disqualification of a member of a committee, the members thereof present at a meeting and not disqualified from voting, whether or not they constitute a quorum, may unanimously appoint another member of the Board to act at the meeting in place of such an absent or disqualified member. A committee so designated by the Board, to the extent provided in the resolution by the Board, may exercise all power and authority of the Board in the management of the business and affairs of the Land Bank, provided that any such actions shall be subject to ratification or rejection by vote of the entire Board.

ARTICLE III: Officers and Staff

Section 1. **Officers.** The officers of the Land Bank shall be elected annually by the Board from among its members, and shall consist of a Chairman, Vice Chairman, a Treasurer, and such other officers as the Board may determine, and shall establish their duties as may be regulated by rules adopted by the Board.

Section 3. **Vacancies.** A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board at any meeting of the Board, for the unexpired portion of the term of such office.

Section 4. **Chairperson and Vice Chairperson.** The Chairperson shall be the chief executive officer of the Land Bank, but he or she may, from time to time, delegate all or any part of his/her duties to the Vice-Chairperson. He or she, or in his/her absence, the Vice Chairperson, shall preside at all meetings of the Board, he or she shall have general and active management of the business of the Land Bank and shall perform all the duties of the office as provided by law or these by-laws. He or she shall be ex-officio a member of all standing committees, and shall have the general powers and duties of supervision and management of the Land Bank.

Section 5. **Treasurer.** The Treasurer shall insure that procedures are in place for custody of the Land Bank funds and securities. All monies and other valuable effects in the name and to the credit of the Land Bank shall be deposited in such depositories as may be designated by the Board pursuit to the adopted policies of the Land Bank. He/she shall authorize such disbursements of the funds of the Land Bank as may be ordered by the Board. The Treasurer shall report to the Board at its regular meetings the financial condition of the Land Bank. The office of the New York State Comptroller shall have the authority to audit the Land Bank.

Section 6. **Delegation of Duties of Offices.** In the absence of any officer of the Land Bank, or for any other reason that the Board may deem sufficient, the Board may delegate, from time to time and for such duration as it may deem appropriate, the powers or duties or any of them, of such officer to any other officer, or to any Director.

Section 7. **Executive Committee.** The Chairman, Vice Chairman, and Treasurer shall comprise the Executive Committee. The Executive Committee may, upon a majority vote thereof, authorize the expenditure of up to $2,500.00 for any expense listed as an eligible item for expenditure under the approved Land Bank funding guidelines. The Executive Committee must report any such expenditure to the Board at the next regularly scheduled Board meeting. Any expenditure in excess of $2,500.00 shall only be authorized by a vote of the Board as provided in Article 2, Section 9 of these by-laws.

Section 8. **Staff.** The Land Bank may employ a secretary, an executive director, its own counsel and legal staff, and such technical experts, and such other agents and

employees, permanent or temporary, as it may require, and may determine the qualifications and fix the compensation and benefits of such persons. Notwithstanding the foregoing, the Land Bank shall enter into contracts and agreements with Suffolk County for staffing and support services to be provided to the Land Bank by Suffolk County or agencies or departments thereof, unless Suffolk County shall be unwilling or unable to provide such services.

ARTICLE IV: Contracts, Loans, Checks and Deposits

Section 1. The Board may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Land Bank, and such authority may be general or confined to specific instances, including, but not limited to, intergovernmental agreements under Section 119-o of the General Municipal Law.

Section 2. **Loans/Grants.** The Land Bank may give guarantees and incur liabilities, issue bonds and borrow money at such rates of interest as the Board may determine. No grant or loan shall be contracted on behalf of the Land Bank and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board. Such contractual authority may be general or confined to specific instances. Except for financial arrangements made with Suffolk County, borrowing and/or issuance of bonds shall only be for capital purposes and not for expenses, and shall require unanimous approval of all Directors.

Section 3. **Checks, Drafts, etc.** All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Land Bank, shall be signed by two officers of the Land Bank and in such manner as shall, from time to time, be determined by resolution of the Board.

Section 4. **Deposits.** All funds of the Land Bank shall be deposited from time to time to the credit of the Land Bank in such banks, trust companies or other depositories as the Board may select, consistent with policies and procedures of Suffolk County. The Board shall adopt an investment policy consistent with the Investment Policy of the Suffolk County.

Section 5. **Additional Powers.** The Board may authorize any and all lawful transactions permitted by Article 16 of the Not-For-Profit Corporation Law, by vote in accordance with such law and with these by-laws.

ARTICLE V: Fiscal Year, Budgets, Audits

Section 1. **Fiscal Year** The fiscal year of the Land Bank shall correspond at all times to the fiscal year of Suffolk County.

Section 2. **Budgets.** The Board shall annually adopt a general fund budget and budgets for all other funds that may be under its control.

Section 3. **Audits.** The Board shall undertake an annual audit of the funds of the Land Bank by a Certified Public Accountant, or by agreement with the Comptroller of Suffolk County. All financial records of the Land Bank shall be open to the public under the Freedom of Information Law (Public Officers Law, Article 6).

ARTICLE VI: Miscellaneous

Section 1. **Seal.** The Board shall adopt a corporate seal, which shall be the official seal of the Land Bank.

Section 2. **Waiver of Notice.** When the Board, or any committee thereof, may take action after notice to any person or after lapse of a prescribed period of time, the action may be taken without notice and without lapse of the period of time, if at any time the person entitled to notice or to participation in the action to be taken submits a signed waiver of such requirements.

Section 3. **Amendments.** These By-laws may be altered, amended or repealed by an affirmative vote of the Board then in office at any regular or special meeting called for that purpose. Any alteration, amendment or repeal of Article II, Section 9, Article IV Section 2 or Article VI Section 3 shall require the affirmative vote of all Directors.

I HEREBY CERTIFY that the above By-laws were adopted the day of 2012.

_____

Secretary

SUFFOLK COUNTY
County Legislature
RIVERHEAD, NY

This is to Certify That I, TIM LAUBE, Clerk of the County Legislature of the County of Suffolk, have compared the foregoing copy of resolution with the original resolution now on file in this office, and which was duly adopted by the County Legislature of said County on March 13, 2012 and that the same is a true and correct transcript of said resolution and of the whole thereof.

In Witness Whereof, I have hereunto set my hand and the official seal of the County Legislature of the County of Suffolk.

Tim Laube

Clerk of the Legislature

Intro. Res. CN 1296 Res. No. 114 March 13, 2012

Motion:
Romaine, Schneiderman, Browning, Muratore, Anker
Calarco, Montano, Cilmi, Lindsay, Hahn, Barraga,
Kennedy, Nowick, Horsley, Gregory, Stern, D'Amaro, Spencer

Co-Sponsors:
Romaine, Schneiderman, Browning, Muratore, Anker
Calarco, Montano, Cilmi, Lindsay, Hahn, Barraga,
Kennedy, Nowick, Horsley, Gregory, Stern, D'Amaro, Spencer

Second:
Romaine, Schneiderman, Browning, Muratore, Anker
Calarco, Montano, Cilmi, Lindsay, Hahn, Barraga,
Kennedy, Nowick, Horsley, Gregory, Stern, D'Amaro, Spencer

LD	Legislator	Yes	No	Abs	NP	R
1	Edward P. ROMAINE	✓				
2	Jay H. SCHNEIDERMAN	✓				
3	Kate M. BROWNING	✓				
4	Thomas MURATORE	✓				
5	Kara HAHN	✓				
6	Sarah S. ANKER	✓				
7	Rob CALARCO	✓				
9	Ricardo MONTANO	✓				
10	Thomas CILMI	✓				
11	Thomas F. BARRAGA	✓				
12	John M. KENNEDY, JR.	✓				
13	Lynne C. NOWICK	✓				
15	DuWayne GREGORY	✓				
16	Steven H. STERN	✓				
17	Lou D'AMARO	✓				
18	William SPENCER	✓				
14	Wayne R. HORSLEY, D.P.O.	✓				
8	William J. LINDSAY, P.O.	✓				
	Totals	18				

MOTION

- X Approve
- ___ Table: ___
- ___ Send To Committee
- ___ Table Subject To Call
- ___ Lay On The Table
- ___ Discharge
- ___ Take Out of Order
- ___ Reconsider
- ___ Waive Rule ___
- ___ Override Veto
- ___ Close
- ___ Recess

APPROVED X FAILED ___
No Motion ___ No Second ___

RESOLUTION DECLARED

- X ADOPTED
- ___ NOT ADOPTED

Roll Call ___ Voice Vote X

Tim Laube

Tim Laube, Clerk of the Legislature