

Introduced by Presiding Officer, on request of the County Executive

**RESOLUTION NO. 1090 -2015, ADOPTING LOCAL LAW NO. 1 -2016, A LOCAL LAW TO AMEND CHAPTER 155 OF THE SUFFOLK COUNTY CODE, CLARIFYING FUNDING SOURCES FOR THE OPERATION OF THE SUFFOLK COUNTY LANDBANK CORPORATION**

**WHEREAS**, there was duly presented and introduced to this County Legislature at a meeting held on November 17, 2015, a proposed local law entitled, "**A LOCAL LAW TO AMEND CHAPTER 155 OF THE SUFFOLK COUNTY CODE, CLARIFYING FUNDING SOURCES FOR THE OPERATION OF THE SUFFOLK COUNTY LANDBANK CORPORATION**"; now, therefore be it

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

**LOCAL LAW NO. 1 -2016, SUFFOLK COUNTY, NEW YORK**

**A LOCAL LAW TO AMEND CHAPTER 155 OF THE SUFFOLK COUNTY CODE, CLARIFYING FUNDING SOURCES FOR THE OPERATION OF 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 that Local Law No. 18-2012 authorized the creation of the Suffolk County Landbank Corporation ("Corporation"), a not-for-profit corporation established pursuant to Article 16 of New York Not-For-Profit Corporation Law with the intent 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.

This Legislature also finds that Local Law No. 19-2013 amended Local Law No. 18-2012 to further establish a permanent Board of Directors.

This Legislature also finds that at its initial inception in 2013, the SCLBC was tasked with prioritizing and facilitating the private-sector remediation and redevelopment of tax-delinquent brownfield sites, creating an inventory of 133 brownfield sites, totaling 265.9 acres, and representing more than \$28 million in uncollected tax revenue.

This Legislature also finds that the Suffolk County Landbank Corporation has, thus far, applied for and been directly awarded grant funds in the amount of \$2,613,470 to help address the problem of vacant, abandoned properties in Suffolk County.

This Legislature further finds that the Suffolk County Landbank Corporation has been an effective tool for addressing Suffolk County's tax-delinquent brownfield properties, with the renewed threat of tax foreclosure inspiring property owners to repay tax liens to the County,

recouping revenue for Suffolk County of almost \$3,000,000 since the establishment of the Corporation in 2013.

This Legislature further finds that the Suffolk County Landbank Corporation currently has no means to directly recoup Corporation funds expended for the purpose of environmental due diligence on tax-delinquent brownfield properties once the tax liens for the brownfield properties have been paid in full.

This Legislature further finds that According to the United States Environmental Protection Agency (EPA), brownfields redevelopment can increase residential property values 2 to 3 percent when nearby brownfields are addressed. Conversely, in a study by the University of Cincinnati, researchers found that residential properties close to brownfields lose value, finding that a \$100,000 house located 100 feet from a brownfield loses an estimated \$9,000 in value.

This Legislature further finds and declares that protecting Suffolk County's federally designated sole source aquifer is a top priority, and brownfield sites continually threaten the quality of water in Suffolk County as petroleum spills and heavy metals pollute the soil and leach into waterways.

Therefore, the purpose of this law is to amend Chapter 155 of the Suffolk County Code, clarifying funding sources for the operations of the Suffolk County Landbank Corporation.

**Section 2. Amendments.**

Article IV of Chapter 155 of the Suffolk County Code is hereby amended as follows:

**CHAPTER 155  
LOCAL DEVELOPMENT CORPORATIONS  
ARTICLE IV  
Suffolk County Landbank Corporation**

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§ 155-27. Creation of Landbank Corporation; procedures.

- 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 bylaws 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 vote of its membership and the two-thirds 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 be empowered to retain a working capital fund of no greater than \$500,000 from the proceeds of sale of tax-delinquent brownfield properties and/or tax liens; the working capital fund shall be utilized to pay operating costs of the Suffolk County Landbank Corporation not otherwise funded by grants.
- [F.] G. The Suffolk County Landbank Corporation shall contract in writing with Suffolk County for all of its operating expenses not otherwise funded via its working capital fund or grant funds, including but not limited to personnel, overhead, supplies and equipment, and such contract shall include terms for repayment of all expenses.
- [G.] H. Proceeds received by the Suffolk County Landbank Corporation from the sale of tax-delinquent brownfield properties, and in excess of grant funds and its working capital fund shall be remitted to the County to reimburse the County for:
- (1) Start-up costs;
  - (2) 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;
  - (3) 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;
  - (4) The cost of any County personnel, overhead, supplies and equipment assigned to the Suffolk County Landbank Corporation pursuant to Subsection **[F] G** above.

### **Section 3. Applicability.**

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

### **Section 4. 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 affect, 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 order or judgment shall be rendered.

**Section 5. SEQRA Determination.**

This Legislature, being the State Environmental 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), (21), and (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 6. Effective Date.**

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

[ ] Brackets denote deletion of existing language  
\_\_\_ Underlining denotes addition of new language

DATED: December 15, 2015

APPROVED BY:

/s/Dennis M. Cohen  
Chief Deputy County Executive of Suffolk County

Date: January 15, 2016

After a public hearing duly held on December 28, 2015  
Filed with the Secretary of State on February 2, 2016