



DUTCHESS COUNTY-POUGHKEEPSIE LAND BANK

DISPOSITION OF REAL AND PERSONAL PROPERTY POLICY

SECTION 1. PURPOSE

This policy (the "Policy") sets forth guidelines for the Dutchess County-Poughkeepsie Land Bank's (Land Bank) disposal of real and personal property in accordance with the mission and purpose of the Land Bank and all applicable laws. The Land Bank has also instituted application and enforcement requirements and processes as part of this Policy which are set forth in Appendix A and B respectively.

SECTION 2. DEFINITIONS

- a. "Land Bank" shall mean Dutchess County-Poughkeepsie Land Bank.
- b. "Contracting Officer" shall mean the person responsible for the Land Bank's compliance with, and enforcement of, this Policy and such person shall be the Executive Director of the Land Bank.
- c. "Dispose" or "disposal" shall mean transfer of title or any other beneficial interest in personal or real property in accordance with Article 16 of the New York State Not-For Profit Corporation Law.
- d. "Property" shall mean personal property or real property regardless of value, and any other interest in property, to the extent that such interest may be conveyed to another person for any purpose, excluding an interest securing a loan or other financial obligation of another party.

SECTION 3. GENERAL DUTIES

- a. The Land Bank shall:
 - i. maintain adequate inventory controls and accountability systems for all property owned by the Land Bank and under its control;
 - ii. periodically inventory such property to determine which property may be disposed of;
 - iii. produce a written report of such in accordance with Section 3(b); and
 - iv. transfer or dispose of such property as promptly as possible in accordance with this Policy.
- b. The Land Bank shall comply with Article 16 of the New York State Not-for Profit Corporation Law which includes:
 - i. maintain for public review and inspection a complete inventory of all property owned by the Land Bank. Such inventory as to real property shall include: the location of the parcel; the purchase price, if any, for each parcel owned; the current value assigned to the property for purposes of real property taxation; the amount, if any, owed to the locality for real property taxation; the identity of the transferor; and any conditions or restrictions applicable to the property. All parcels received by the Land Bank shall be listed in such inventory within one week of acquisition and shall remain in such inventory for one week prior to disposition; and;
 - ii. maintain for public review and inspection a complete inventory of all real property dispositions by the Land Bank. Such inventory shall include the name of the purchaser, a complete copy of the sales contract, including all terms and conditions including, but not limited

to, any form of compensation received by the Land Bank or any other party which is not included within the sale price. All real property dispositions shall be listed on the property disposition inventory within one week of disposition. Such report shall also include a list and full description of all personal property disposed of. Such records shall remain available for public inspection in the property disposition inventory indefinitely. Such report shall be delivered, no less than annually, to all agencies required by law including the Comptroller of the State of New York, the Director of the Budget of the State of New York, the Commissioner of the New York State Office of General Services, the Director of the Authority Budget Office and the New York State Legislature (via distribution to the Majority Leader of the NYS Senate and the Speaker of the Assembly).

SECTION 4. TRANSFER OR DISPOSITION OF PROPERTY

a. **Supervision and Direction**. Except as otherwise provided herein, the Contracting Officer shall have supervision and direction over the disposition and sale of property of the Land Bank. The Land Bank shall have the right to dispose of its property for any valid purpose.

b. **Custody and Control**. The custody and control of Land Bank property, pending its disposition, shall be performed by the Contracting Officer.

c. **Method of Disposition**. Unless otherwise permitted, the Land Bank shall dispose of property by sale, exchange, or transfer, for cash, credit, or other consideration as provided for herein, with or without warranty, and upon such other terms and conditions as the Land Bank or the Contracting Officer deems proper. The Contracting Officer may execute such documents for the transfer of title or other interest in property and take such other action as is necessary or proper to dispose of such property under the provisions of this Policy.

d. **Validity of Deed, Bill of Sale, Lease, or Other Instrument**. A deed, bill of sale, lease, or other instrument executed by or on behalf of the Land Bank, purporting to transfer title or any other interest in property of the Land Bank in accordance herewith shall be conclusive evidence of compliance with the provisions of this Policy and all applicable law insofar as concerns title or other interest of any bona fide grantee or transferee who has given valuable consideration for such title or other interest and has not received actual or constructive notice of lack of such compliance prior to transfer of title of such property.

SECTION 5. DISPOSITION POLICIES AND CONSIDERATIONS – DCPOK Land Bank property dispositions (residential and commercial) and demolitions will comply with all statutory requirements and be guided by the following general priorities:

- a. Activities benefitting neighborhoods and residents impacted by long-term disinvestment and historically discriminatory policies and practices such as redlining
- b. Activities that will serve underserved populations and communities to help address disparities in housing conditions and income as a result of generations of discriminatory housing and lending practices which have been exacerbated by the COVID-19 pandemic.
- c. Activities that advance active municipal plans created with input from residents, organizations, and institutions
- d. Activities that support housing, economic and community development priorities, and opportunities for residents with low to moderate incomes
- e. Activities, including but not limited to demolitions, to eradicate properties that impact the health, safety, or welfare of neighborhoods

- f. Activities that leverage public, private, not-for-profit, and philanthropic funds
- g. Activities that create or preserve quality, affordable, and mixed-income housing
- h. Activities that support first-time homebuyers, help build wealth, increase local ownership, or stabilize neighborhoods

Disposition of Property through Non Competitive Process The DCPOKLB may dispose of property to a Qualified End User through a non-competitive process under any one of the following circumstances:

- i. Side Yards: An applicant seeks property to be used as a Side Yard
- ii. Development Assemblages: Applicant owns a significant portion of a proposed development site, being at least 50% of which is already owned by such applicant, and the property that is subject to the application will be developed as part of the same development project;
- iii. Green Space: An applicant seeks property for use as a community garden, green space, open space or recreational area, provided that such applicant is a non-profit organization under New York Law;
- iv. Community-Based Facilities: The development has a community- benefiting use, such as, without limitation, a playground, healthcare or senior center, that is designed to benefit low-income and moderate-income households;

Board Approval: The disposition of property through the non competitive process will be approved with with two-thirds vote of the eligible board membership.

b. Disposition of Personal Property The Land Bank may dispose of personal property in accordance with its mission, including through Negotiated Sale, Request for Proposals and Direct Sale, as well as by donation. The Land Bank may utilize contractors or professional services to dispose of personal property providing any revenue generated from such disposal is used to support the Land Bank’s mission and purpose. When determining the method of disposition, the Land Bank shall utilize the method which shall permit obtaining such competition as is feasible under the circumstances and which is consistent with the value and nature of the personal property proposed for disposition (including whether the personal property involved has qualities separate from the utilitarian purpose of such property, such as artistic quality, antiquity, historical significance, rarity, or other qualities of similar effect, that would tend to impact the value thereof), and which will be most advantageous to the Land Bank, price and other factors considered, and which shall further the interests of and be consistent with the mission and purpose of the Land Bank.

c. Leasing It may be in the best interest of the Land Bank and the furtherance of its mission to lease its real property under certain circumstances, including but not limited to, the following:

- i. **Existing Occupants.** In order to avoid displacing persons occupying real property at the time it is acquired by the Land Bank, the Land Bank may enter into lease agreements with any such persons. The Land Bank may offer occupants relocation assistance if the real property is not habitable or if the occupants are unwilling to enter into lease agreements.
- ii. **Properties Pending Sale.** The Land Bank may lease an occupied parcel of real property for which a sale is pending in order to allow the occupant to enhance the value of the real property and prevent vandalism, to which vacant properties are susceptible.

SECTION 7. LAND BANKING AND PLANNED DEVELOPMENT

In some instances, the Land Bank may acquire, assemble, and hold multiple properties in connection with a redevelopment project, program, strategy or plan consistent with the mission and purpose of the Land Bank. Those plans will be developed with input from relevant stakeholders including but not limited to, a municipality, nonprofit organizations, and community organizations.

Once the plan has been developed and the properties assembled, the Land Bank may solicit partners to take control of the Properties and achieve the desired outcome. The Land Bank may issue a Request for Qualifications, Proposals or similar instrument to identify potential buyers who possess the vision, experience, capacity and financial strength to purchase, develop and manage the properties in a manner consistent with the Land Bank’s goals.

Upon selection of a partner by the Land Bank’s Board of Directors, the Land Bank will enter into a purchase contract with the selected partner that sets forth the timelines for implementing the plan or project and taking control of the properties, the purchase price and any related restrictions.

SECTION 8. MISCELLANEOUS

- a. **Modification and Amendment; Filing.** These guidelines are subject to modification and amendment at the discretion of the Land Bank and shall be filed annually with all local and state agencies as required under applicable law.
- b. **Posting on the Land Bank Website.** This Policy shall be posted on the Land Bank's website.
- c. **Annual Review.** This Policy shall be reviewed annually by the Land Bank and approved by the Board of Directors of the Land Bank.

APPENDIX A

Dutchess County-Poughkeepsie Land Bank

APPLICATION PROCESS

This appendix describes the process for obtaining property from the Dutchess County-Poughkeepsie Land Bank including eligibility requirements and specific requirements for certain programs.

I. Buyer Qualifications (All programs)

- a) All disposals of Land Bank property shall be made to Qualified Buyers. A person or entity, submitting a proposal or offer to purchase property owned by the Land Bank (an "Applicant") must meet the following requirements to be considered a "Qualified Buyer." In the case of an

entity comprised of one or more individuals such as a Limited Liability Corporation, this requirement pertains at minimum to the managing member.

1. The Applicant's Principal Residence for the year immediately preceding the date of the Applicant's application was in Dutchess County or in a contiguous County, the Applicant intends to relocate to Dutchess County or an adjacent County and can provide satisfactory evidence thereof, or if the Applicant has agreed to engage a property manager located in Dutchess County to manage the property which is being disposed of pursuant to this Policy. The term "Principal Residence" means the property that the Applicant uses as his or her residence. If the Applicant uses more than one property as his or her residence, the Applicant's Principal Residence is the property in which the Applicant lives for the majority of the time during the year and not less than half of the year. **With two thirds vote of eligible board members, these restrictions or requirements may be waived if it's in the best interest of the Land Bank.**
2. In the event the Land Bank requires the Applicant to complete any renovations or repairs with regard to the property being disposed of pursuant to this Policy, the Applicant has submitted satisfactory evidence that the Applicant has a feasible plan and adequate financing to complete the necessary renovations or repairs;
3. If requested by the Land Bank, the Applicant has completed a home-buyer education or related course from a provider approved by the Land Bank; and
4. The Applicant has completed an application in accordance with this Policy.

b) An Applicant is ineligible if:

1. At the time of the Applicant's application, there are unpaid and past due taxes with respect to any real property owned by the Applicant;
2. A property owned by the Applicant has been foreclosed upon or subject to a judgment for tax-delinquency by City of Poughkeepsie or Dutchess County within the past five (5) years;
3. At the time of the Applicant's application, the Applicant owes amounts for past due bills, fines, or fees with respect to any real property owned by the Applicant;
4. There are open code violations or un-remediated citations or a history of code violations with respect to real property owned by the Applicant;

5. Multiple nuisance abatement cases or proceedings have been commenced with respect to real property owned by the Applicant; or
6. The Applicant, as an individual or entity, was the owner of property at the time of tax foreclosure by the City of Poughkeepsie or Dutchess County. For the purposes of this policy, ineligible parties include shareholders, partners, members, officers of the entity and immediate family members of the individual owners (including, but not limited to spouse, parent, sibling, or child of the Applicant).

The Board of Directors may consider deviating from this criterion if the property in question is the Applicant's principal residence, adjacent to a property owned by the Applicant, and/or the principal source of income and the Applicant: 1) presents compelling evidence excusing their failure to redeem the property prior to its foreclosure for unpaid real property taxes; and 2) demonstrates that they have sufficient funds to pay in full (i) the real property taxes that were due at the time of foreclosure, (ii) any other liens that were extinguished by the foreclosure (or the ability to reinstate such liens), and (iii) the Land Bank's expenses associated with the acquisition and maintenance of the property, along with any related fees required by the Land Bank; and 3) makes all repairs necessary to bring the property into compliance with applicable health, building and zoning laws, rules and regulations, and; 4) demonstrates that they have sufficient income to remain tax-current if they are granted title to the property.

In addition, an Applicant may be disqualified if the Applicant and/or the Applicant's business or a business in which the Applicant has an ownership interest has one or more judgments currently filed against the Applicant or the business and/or has had at least one judgment taken and filed against the Applicant and/or the business.

7. The Applicant, as an individual or entity, was previously approved to purchase a property from the Land Bank but failed to complete the transaction without good cause.
8. The Applicant, as an individual or entity, previously purchased a property from the Land Bank and failed to satisfactorily complete or allow access for proper documentation by the Land Bank of any renovation, development or compliance monitoring requirements agreed to as a condition of purchase.
9. The Applicant does not provide a completed purchase Application, inclusive of all required materials and documentation by the property purchase deadline and/or fails to demonstrate financial resources sufficient to achieve the Applicant's proposed redevelopment plan.

II. Purchase Applications:

Land Bank staff shall develop purchase application forms which Applicants shall be required to complete, so that the Land Bank can evaluate the qualifications of Applicants pursuant to the Buyer Qualifications and select Applicants with development plans that are consistent with the Land Bank's mission and purpose. The information requested in such applications may vary depending on the type of property that the Land Bank is intending to sell. The Land Bank may require Applicants to submit redevelopment plans and/or management plans as part of the application process. The Land Bank may require Applicants to submit a contract to purchase with each application.

In addition to meeting the Buyer Qualification, Applicants must meet any program-specific requirements:

a. Applications for Residential Side Lot Program

Applicants must note that they own property bordering the property and meet all the program criteria listed in the DCPOK Land Bank disposition policy. Applications for the Residential Side Lot Program will have the following additional requirements:

Upon submission of a complete application is submitted to the Land Bank on an eligible side lot Land Bank staff will verify the adjacent ownership, occupancy requirements and lot eligibility to determine if the purchase application and lot may be considered under the Residential Side Lot Program. The Land Bank, at its sole discretion, may determine eligibility.

When applying for this program, Applicants may be asked to provide additional information including, but not limited to the following:

- Household income
- Property ownership information

Applicants may be required to agree to additional enforcement or restrictions (See Appendix B Enforcement and Compliance Policy for information about the Land Bank's enforcement and compliance policies) as determined by the Board of Directors.

III. Acceptable Consideration for Property (All Purchases)

At the discretion of the board, the Land Bank may accept monetary payments, secured financial obligations, covenants and conditions related to the present and future use of any property being disposed of pursuant to this Policy, contractual commitments of the buyer or lessee, and such other forms of consideration deemed appropriate by the Board of Directors.

APPENDIX B

Dutchess County-Poughkeepsie Land Bank

ENFORCEMENT AND COMPLIANCE POLICY

I. Purpose and Background

This policy outlines the process by which Dutchess County-Poughkeepsie Land Bank (Land Bank) will monitor and enforce enforcement notes, deed restrictions and other related instruments employed by the Land Bank to ensure productive and successful outcomes of real estate transactions and rehabilitation projects.

The primary purpose of the Dutchess County-Poughkeepsie Land Bank is to facilitate the process of acquiring, improving and redistributing vacant properties, eliminate the harms and liabilities caused by such properties and return properties to productive use in a manner consistent with local redevelopment and comprehensive plans. The Land Bank acquires vacant or abandoned properties in the City of Poughkeepsie and Dutchess County and disposes of them to responsible buyers through an application process that includes a multi-layered review and approval process. All property sales are approved by the Land Bank's Board of Directors. Properties purchased from the Land Bank typically require improvements which are the responsibility of the buyer. As part of the Land Bank's property purchase application, buyers are required to provide a scope of work, proposed budget and rehabilitation timeline.

Land Bank staff reviews these aspects of the application to ensure that the buyer has a fundamental understanding of the level of rehabilitation, timeframe and associated costs in order to increase the likelihood of a successful outcome for the Land Bank, the buyer and the surrounding neighborhood. Property sales requiring significant improvements are subject to an enforcement mortgage that secures a lien against the property. Depending on the buyer's proposal and the desired outcome of a property transaction, the Land Bank may decide to place deed restrictions and/or reverter clauses in a property sale. In some cases deed restrictions may be applied in conjunction with an enforcement note and mortgage.

II. Enforcement Tools and Definitions

- a. **Enforcement Note and Mortgage** Property sales requiring significant renovation or improvement are subject to an enforcement mortgage that secures a lien against the property. The Land Bank executes a "Development Enforcement Note and Mortgage Agreement" ("Development Agreement") that sets the Land Bank's lien terms, or enforcement mortgage. As part of this Agreement, the buyer agrees to improve, develop and/or repair the property in accordance with a redevelopment plan, which addresses the scope of the renovations needed. Once the required renovations or improvements are completed to the Land Bank's satisfaction, the Land Bank will discharge the mortgage and the property is deemed to be back to productive use.

Pursuant to the Development Agreement buyers agree to complete any agreed-upon work on the property within an agreed-upon timeframe from the closing sale date (“Completion Date”). On or before the Completion Date, the buyer must provide the Land Bank with a Certificate of Occupancy from the respective local government’s Code Enforcement (or equivalent) Office showing that the property meets code requirements. Upon receipt of the Certificate, the Land Bank must inspect the property to determine if the buyer has met the terms of the Development Agreement and completed the redevelopment plan. If the agreed-upon improvements have been made, the Land Bank issues to the buyer a Certificate of Substantial Compliance and a Discharge-of-Mortgage is filed with the County Clerk. If a buyer does not achieve substantial compliance by the required Completion Date, the Land Bank may give the buyer a 10-day written notice to correct any deficiencies. If a notice is issued and insufficient action is taken by the buyer within the 10 days of the notice, the Development Agreement is considered in default and the Land Bank may exercise its right of reversion of the property and/or begin foreclosure proceedings. If the Land Bank determines, at its sole discretion, that the Land Bank must commence foreclosure proceedings, buyer waives any right to off-set for improvements already made to the property and will be required to deliver to the Land Bank, a Deed-in-Lieu of Foreclosure.

The Land Bank understands that the rehabilitation of vacant and abandoned properties can present significant known and unknown challenges that may impact the buyers’ original Development Agreement. It is paramount that buyers notify the Land Bank of any events encountered by the buyer during the project that would impact the buyers’ ability to satisfy the Development Agreement. In some cases buyers may be able to request an extension of time to satisfy the Development Agreement. The Land Bank is under no obligation to grant an extension of time to complete the Development Agreement.

- b. **Deed Restrictions** are private agreements that restrict the use of the real estate in some way, and are listed in the deed. Deed Restrictions may limit the use of land and may impose a duty upon the landowner. The Land Bank may place Deed Restrictions in a sale to ensure an agreed upon outcome such as merging two adjoining tax parcels or preserving open space. In some cases deed restrictions may be applied in conjunction with an enforcement note and mortgage. All deeds from the Dutchess County-Poughkeepsie Land Bank shall have a Five Year “no-flip” clause. This clause means that the buyer may not sell the property without the express written approval of the Board of Directors, or if pre-approved as part of the Project Development Agreement.

- c. **Reverter** A “Reverter” (also called a “Reversion”) in the context of real property, means the return to the grantor or his/her heirs of real property after all interests in the property given to others have terminated. Generally, the Land Bank requires a Right of Reversion be granted to the Land Bank should the buyer not improve the property per the Development Agreement, or complete the redevelopment plan by the Completion Date. Reverter clauses are inserted in all Land Bank deeds along with other Deed Restrictions as they apply to each property. A Right of Reversion of the property may be released upon certain conditions being met by the buyer, such as when the buyer decides to sell the property or completes the agreed upon Development Agreement. Buyers may seek a release from the Land Bank. However, the Land Bank is under no obligation to provide a release unless all the conditions of the Reverter and Deed Restrictions have been met. All deeds

from the Dutchess County-Poughkeepsie Land Bank shall have a Five Year no-flip clause. This clause means that the buyer may not sell the property without the express written approval of the Land Bank. All vacant lots will have a reverter clause requiring all properties be brought up to code within Thirty (30) days of the Closing.

III. Enforcement Procedures

Adequate procedures to effectively monitor compliance with the Agreements helps to secure the buyers' completion of their redevelopment plans and help the Land Bank meet its mission to eliminate vacant and abandoned properties, lessen the burdens they pose to local governments and communities, improve quality of life for surrounding residents and grow the local property tax base. The following measures will be taken to ensure timely and effective enforcement:

I. Monitoring

Land Bank Staff shall proactively monitor progress for each Development Agreement and Deed Restriction. Each quarter, Land Bank staff shall contact each buyer via phone and/or email to check in on progress and identify any issues/concerns that may cause an applicant to miss the Completion Date. Record of contact and outcome of engagement shall be recorded in the Land Bank's files to document the outcome of each interaction. Nonresponsive buyers will be considered in default on the terms of the enforcement note and mortgage and are subject to all further actions available to the Land Bank.

Development Agreements, Deed Restrictions, Reverters and related documents may also be subject to monitoring by the New York State Authorities Budget Office and the New York State Attorney General's Office.

II. Reporting

Each quarter, Land Bank staff shall produce a report summarizing the outcome of the quarterly monitoring. Such report shall be submitted to the Executive Director for review and direction on any additional actions as the Executive Director may deem necessary.

III. Inspection

Under the terms of sale, the Land Bank has the right to inspect properties sold to buyers during rehabilitation. Each quarter Land Bank staff shall select, at its sole discretion, a representative sample of properties to inspect. The properties may be selected at random and/or based on concerns identified from field observations, reports from, but not limited to, residents, community groups, municipalities, or discussions with buyers during routine monitoring.

IV. Modification of Completion Dates

In some cases, Completion Dates may be modified by the Land Bank. Any request to modify a Completion Date must be submitted to the Land Bank in writing for consideration by the Executive Director. If approved, the Land Bank may grant a modification to the Completion Date at its sole discretion and issue notification of any such extension to the buyer. The Land Bank is under no obligation to grant an extension of the Completion Date. All owners must submit an extension request on the proper form and pay any fees, if applicable, at least Sixty (60) days prior to the expiration of the timeline set forth in the Enforcement Note and Mortgage.

V. Project Completion

Upon the completion of an agreed upon Development Agreement and/or action governed by a deed restriction, the buyer must notify the Land Bank and provide satisfactory evidence of completion. In the event of a Development Agreement such evidence shall include the Residential Occupancy Permit, Certificate of Occupancy - or acceptable equivalent document depending on municipality or project - and schedule a walk-through inspection with Land Bank staff. Upon satisfactory outcome of walk-through, the Land Bank will initiate the discharge of the appropriate enforcement on the subject property in a timely manner. Documentation of the walk-through and evidence of project completion from the buyer will be retained in the Land Bank's records. The project will be deemed complete upon discharge of the enforcement mortgage.

Appendix C
The Laws of New York Consolidated Laws of New York
CHAPTER 35 Not-for-Profit Corporation
ARTICLE 16 Land Banks

LAND BANKS

Section 1600. Short title.

1601. Legislative intent.

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- 1610. Financing of land bank operations.
- 1611. Borrowing and issuance of bonds.
- 1612. Public records and public meetings.
- 1613. Dissolution of land bank.
- 1614. Conflicts of interest.
- 1615. Construction, intent and scope.
- 1616. Delinquent property tax enforcement.
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§ 1601. Legislative intent. The legislature finds and declares that New York's communities are important to the social and economic vitality of the state. Whether urban, suburban, or rural, many communities are struggling to cope with vacant, abandoned, and tax-delinquent properties. There exists a crisis in many cities and their metro areas caused by disinvestment in real property and resulting in a significant amount of vacant and abandoned property. For example, Cornell Cooperative Extension Association of Erie county estimates that the city of Buffalo has thirteen thousand vacant parcels, four thousand vacant structures and an estimated twenty-two thousand two hundred ninety vacant residential units. This condition of vacant and abandoned property represents lost revenue to local governments and large costs ranging from demolition, effects of safety hazards and spreading deterioration of neighborhoods including resulting mortgage foreclosures. The need exists to strengthen and revitalize the economy of the state and its local units of government by solving the problems of vacant and abandoned property in a coordinated manner and to foster the development of such property and promote economic growth. Such problems may include multiple taxing jurisdictions lacking common policies, ineffective property inspection, code enforcement and property rehabilitation support, lengthy and/or inadequate foreclosure proceedings and lack of coordination and resources to support economic revitalization. There is an overriding public need to confront the problems caused by vacant, abandoned and tax-delinquent properties through the creation of new tools to be available to communities throughout New York enabling them to turn vacant spaces into vibrant places. Land banks are one of the tools that can be utilized by communities to facilitate the return of vacant, abandoned, and tax-delinquent properties to productive use. The primary focus of land bank operations is the acquisition of real property that is tax delinquent, tax foreclosed, vacant, abandoned, and the use of tools authorized in this article to eliminate the harms and liabilities caused by such properties.

§ 1602. Definitions. The following words and phrases when used in this article shall have the meanings given to them in this section unless the context clearly indicates otherwise: (a) "board of directors" or "board" shall mean the board of directors of a land bank; (b) "land bank" shall mean a land bank established as a charitable not-for-profit corporation under this chapter and in accordance with the provisions of this article and pursuant to this article; (c) "foreclosing governmental unit" shall mean "tax district" as defined in subdivision six of section eleven hundred two of the real property tax law; (d) "municipality" shall mean a city, village, town or county other than a county located wholly within a city; (e) "school district" shall mean a school district as defined under the education law; and (f) "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.

§ 1603. Creation and existence. (a) Any foreclosing governmental unit may create a land bank by the adoption of a local law, ordinance, or resolution as appropriate to such foreclosing governmental unit which action specifies the following: (1) the name of the land bank; (2) the number of members of the board of directors, which shall consist of an odd number of members, and shall be not less than five members nor more than fifteen members; (3) the initial individuals to serve as members of the board of directors, and the length of terms for which they are to serve; (4) the qualifications, manner of selection or appointment, and terms of office of members of the board; and (5) the articles of incorporation for the land bank, which shall be filed with the secretary of state in accordance with the procedures set forth in this chapter. (b) Two or more foreclosing governmental units may enter into an intergovernmental cooperation agreement which creates a single land bank to act on behalf of such foreclosing governmental units, which agreement shall be authorized by and be in accordance with the provisions of paragraph (a) of this section. Such intergovernmental agreement shall include provisions for dissolution of such land bank. (c) Any foreclosing governmental units and any municipality may enter into an intergovernmental cooperation agreement which creates a single land bank to act on behalf of such foreclosing governmental unit or units and municipality, which agreement shall be authorized by and be in accordance with the provisions of paragraph (a) of this section. Such intergovernmental agreement shall include provisions for dissolution of such land bank. (d) Except when a land bank is created pursuant to paragraph (b) or (c) of this section, in the event a county creates a land bank, such land bank shall have the power to acquire real property only in those portions of such county located outside of the geographical boundaries of any other land bank created by any other foreclosing governmental unit located partially or entirely within such county. (e) A school district may participate in a land bank pursuant to an intergovernmental cooperation agreement with the foreclosing governmental unit or units that create the land bank, which agreement shall specify the membership, if any, of such school district on the board of directors of the land bank, or the actions of the land bank which are subject to approval by the school district. (f) Each land bank created pursuant to this act shall be a charitable corporation, and shall have permanent and perpetual duration until terminated and dissolved in accordance with the provisions of section sixteen hundred thirteen of this article. (g) Nothing in this article shall be construed to authorize the existence of more than thirty-five land banks located in the state at one time, provided further that each foreclosing governmental unit or units proposing to create a land bank shall submit such local law, ordinance or resolution as required by paragraph (a) of this section, to the urban development corporation, for its review and approval. The creation of a land bank shall be conditioned upon approval of the urban development corporation. (h) The office of the state comptroller shall have the authority to audit any land bank pursuant to this article.

§ 1604. Applicability of New York law. This article shall apply only to land banks created pursuant to this article.

§ 1605. Board of directors. (a) (1) The initial size of the board shall be determined in accordance with section sixteen hundred three of this article. Unless restricted by the actions or agreements specified in section sixteen hundred three of this article, the provisions of this section shall apply. (2) The size of the board may be adjusted in accordance with by-laws of the land bank. (b) In the event that a land bank is created pursuant to an intergovernmental agreement in accordance with section sixteen hundred three of this article, such intergovernmental cooperation agreement shall specify matters identified in paragraph (a) of section sixteen hundred three of this article; provided, however, that

each foreclosing governmental unit shall have at least one appointment to the board. (c) Any public officer shall be eligible to serve as a board member and the acceptance of the appointment shall neither terminate nor impair such public office. For purposes of this section, "public officer" shall mean a person who is elected to a municipal office. Any municipal employee or appointed officer shall be eligible to serve as a board member. (d) The members of the board of directors shall select annually from among themselves a chairman, a 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. (e) The board shall establish rules and requirements relative to the attendance and participation of members in its meetings, regular or special. Such rules and regulations may prescribe a procedure whereby, should any member fail to comply with such rules and regulations, such member may be disqualified and removed automatically from office by no less than a majority vote of the remaining members of the board, and that member'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. (f) A vacancy on the board shall be filled in the same manner as the original appointment. (g) Board members 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. (h) 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 members. (i) A majority of the members of the board, not including vacancies, shall constitute a quorum for the conduct of business. All actions of the board shall be approved by the affirmative vote of a majority of the members of that board present and voting; provided, however, no action of the board shall be authorized on the following matters unless approved by a majority of the total board membership: (1) adoption of by-laws and other rules and regulations for conduct of the land bank's business; (2) hiring or firing of any employee or contractor of the land bank. This function may, by majority vote of the total board membership, be delegated to a specified officer or committee of the land bank, under such terms and conditions, and to the extent, that the board may specify; (3) the incurring of debt; (4) adoption or amendment of the annual budget; and (5) sale, lease, encumbrance, or alienation of real property, improvements, or personal property. (j) Members of a board shall not be liable personally on the bonds or other obligations of the land bank, and the rights of creditors shall be solely against such land bank. (k) Vote by proxy shall not be permitted. Any member may request a recorded vote on any resolution or action of the land bank. (l) Each director, officer and employee shall be a state officer or employee for the purposes of sections seventy-three and seventy-four of the public officers law.

§ 1606. Staff. A 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. A land bank may also enter into contracts and agreements with municipalities for staffing services to be provided to the land bank by municipalities or agencies or departments thereof, or for a land bank to provide such staffing services to municipalities or agencies or departments thereof.

§ 1607. Powers. (a) A land bank shall constitute a charitable not-for-profit corporation under New York law, which powers shall include all powers necessary to carry out and effectuate the purposes and

provisions of this article, including the following powers in addition to those herein otherwise granted: (1) adopt, amend, and repeal bylaws for the regulation of its affairs and the conduct of its business; (2) sue and be sued in its own name and plead and be impleaded in all civil actions, including, but not limited to, actions to clear title to property of the land bank; (3) to adopt a seal and to alter the same at pleasure; (4) to make contracts, give guarantees and incur liabilities, borrow money at such rates of interest as the land bank may determine; (5) to issue negotiable revenue bonds and notes according to the provisions of this article; (6) to procure insurance or guarantees from the state of New York or federal government of the payments of any debts or parts thereof incurred by the land bank, and to pay premiums in connection therewith; (7) to enter into contracts and other instruments necessary to the performance of its duties and the exercise of its powers, including, but not limited to, intergovernmental agreements under section one hundred nineteen-o of the general municipal law for the joint exercise of powers under this article; (8) to enter into contracts and other instruments necessary to the performance of functions by the land bank on behalf of municipalities or agencies or departments of municipalities, or the performance by municipalities or agencies or departments of municipalities of functions on behalf of the land bank; (9) to make and execute contracts and other instruments necessary to the exercise of the powers of the land bank; and any contract or instrument when signed by the chairman or vice-chairman of the land bank, or by an authorized use of their facsimile signatures, and by the secretary or assistant secretary, or treasurer or assistant treasurer of the land bank, or by an authorized use of their facsimile signatures, shall be held to have been properly executed for and on its behalf; (10) to procure insurance against losses in connection with the real property, assets, or activities of the land bank; (11) to invest money of the land bank, at the discretion of the board of directors, in instruments, obligations, securities, or property determined proper by the board of directors, and name and use depositories for its money; (12) to enter into contracts for the management of, the collection of rent from, or the sale of real property of the land bank; (13) to design, develop, construct, demolish, reconstruct, rehabilitate, renovate, relocate, and otherwise improve real property or rights or interests in real property; (14) to fix, charge, and collect rents, fees and charges for the use of real property of the land bank and for services provided by the land bank; (15) to grant or acquire a license, easement, lease (as lessor and as lessee), or option with respect to real property of the land bank; (16) to enter into partnership, joint ventures, and other collaborative relationships with municipalities and other public and private entities for the ownership, management, development, and disposition of real property; (17) to inventory vacant, abandoned and tax foreclosed properties; (18) to develop a redevelopment plan to be approved by the foreclosing governmental unit or units; (19) to be subject to municipal building codes and zoning laws; (20) to enter in agreements with a foreclosing governmental unit for the distribution of revenues to the foreclosing governmental unit and school district; (21) to organize a subsidiary for a project or projects which the land bank has the power to pursue under this article when the primary reason for which the subsidiary shall be organized shall be to limit the potential liability impact of the subsidiary's project or projects on the land bank or because state or federal law requires that the purpose of a subsidiary, be undertaken through a specific corporate or business structure. All real property of a subsidiary organized under this article shall be maintained on the inventory lists required in this article of the land bank of which it is a subsidiary and the subsidiary shall make all reports and other disclosures as are required of land banks under this article and as local public authorities, unless the subsidiary's operations and finances are consolidated with those of the land bank of which it is a subsidiary. Subsidiaries organized under this article shall be established in the form of a New York charitable not-for-profit corporation or a New York single member limited liability company. Subsidiaries shall not have the authority to issue

bonds, notes or other debts, provided, however, that such subsidiaries may issue notes or other debt to the land bank of which it is a subsidiary. The organizational documents filed to create a subsidiary under this article shall state that the land bank is organizing the subsidiary for the purposes set forth in this article and the name of the subsidiary shall be reasonably related to the name of the land bank of which it is a subsidiary. The real property of a subsidiary organized under this article and its income and operations are exempt from all taxation by the state of New York and by any of its political subdivisions; and (22) to do all other things necessary to achieve the objectives and purposes of the land bank or other laws that relate to the purposes and responsibility of the land bank. (b) A land bank shall neither possess nor exercise the power of eminent domain.

§ 1608. Acquisition of property. (a) The real property of a land bank and its income and operations are exempt from all taxation by the state of New York and by any of its political subdivisions. The real property of a land bank shall be exempt from: (i) all special ad valorem levies and special assessments as defined in section one hundred two of the real property tax law; (ii) sewer rent imposed under article fourteen-F of the general municipal law; and (iii) any and all user charges imposed by any municipal corporation, special district or other political subdivisions of the state, provided, however, that real property of a land bank for which such land bank receives rent, fees, or other charges for the use of such real property shall not be exempt from subparagraphs (ii) and (iii) of this paragraph. Such exempt status shall be effective upon the date of transfer of title to a land bank, notwithstanding the applicable taxable status date. Notwithstanding any other general, special or local law relating to fees of clerks, no clerk shall charge or collect a fee for filing, recording or indexing any paper, document, map or proceeding filed, recorded or indexed for a land bank, or an officer thereof acting in an official capacity, nor for furnishing a transcript, certification or copy of any paper, document, map or proceeding to be used for land bank purposes. (b) The land bank may acquire real property or interests in real property by gift, devise, transfer, exchange, foreclosure, purchase, or otherwise on terms and conditions and in a manner the land bank considers proper. (c) The land bank may acquire real property by purchase contracts, lease purchase agreements, installment sales contracts, land contracts, and may accept transfers from municipalities upon such terms and conditions as agreed to by the land bank and the municipality. Notwithstanding any other law to the contrary, any municipality may transfer to the land bank real property and interests in real property of the municipality on such terms and conditions and according to such procedures as determined by the municipality. (d) The land bank shall maintain all of its real property in accordance with the laws and ordinances of the jurisdiction in which the real property is located. (e) The land bank shall not own or hold real property located outside the jurisdictional boundaries of the foreclosing governmental unit or units which created the land bank; provided, however, that a land bank may be granted authority pursuant to an intergovernmental cooperation agreement with another municipality to manage and maintain real property located within the jurisdiction of such other municipality. (f) Notwithstanding any other provision of law to the contrary, any municipality may convey to a land bank real property and interests in real property on such terms and conditions, form and substance of consideration, and procedures, all as determined by the transferring municipality in its discretion. (g) The acquisition of real property by a land bank pursuant to the provisions of this article, from entities other than political subdivisions, shall be limited to real property that is tax delinquent, tax foreclosed, vacant or abandoned; provided, however, that a land bank shall have authority to enter into agreements to purchase other real property consistent with an approved redevelopment plan. (h) The land bank shall maintain and make available for public review and inspection a complete inventory of all property received by the land bank. Such inventory shall include: the location of the parcel; the purchase price,

if any, for each parcel received; the current value assigned to the property for purposes of real property taxation; the amount, if any, owed to the locality for real property taxation; the identity of the transferor; and any conditions or restrictions applicable to the property. (i) All parcels received by the land bank shall be listed on the received inventory established pursuant to paragraph (h) of this section within one week of acquisition and shall remain in such inventory for one week prior to disposition. (j) Failure to comply with the requirements in paragraphs (h) and (i) of this section with regard to any particular parcel shall cause such acquisition by the land bank to be null and void.

§ 1609. Disposition of property. (a) The land bank shall hold in its own name, or in the name of a lawfully organized subsidiary, all real property acquired by the land bank irrespective of the identity of the transferor of such property. (a-1) This section governing the disposition of property by land banks shall supersede section twenty-eight hundred ninety-seven of the public authorities law in the governance of property dispositions by land banks and, as such, notwithstanding any other general, special or local law to the contrary, section twenty-eight hundred ninety-seven of the public authorities law shall not apply to land banks. (b) The land bank shall maintain and make available for public review and inspection a complete inventory of all real property dispositions by the land bank. Such inventory shall include a complete copy of the sales contract including all terms and conditions including, but not limited to, any form of compensation received by the land bank or any other party which is not included within the sale price. (c) The land bank shall determine and set forth in policies and procedures of the board of directors the general terms and conditions for consideration to be received by the land bank for the transfer of real property and interests in real property, which consideration may take the form of monetary payments and secured financial obligations, covenants and conditions related to the present and future use of the property, contractual commitments of the transferee, and such other forms of consideration as are consistent with state and local law. (d) The land bank may convey, exchange, sell, transfer, lease as lessor, grant, release and demise, pledge any and all interests in, upon or to real property of the land bank. (e) A foreclosing governmental unit may, in its local law, resolution or ordinance creating a land bank, or, in the case of multiple foreclosing governmental units creating a single land bank in the applicable intergovernmental cooperation agreement, establish a hierarchical ranking of priorities for the use of real property conveyed by a land bank including but not limited to: (1) use for purely public spaces and places; (2) use for affordable housing; (3) use for retail, commercial and industrial activities; (4) use as wildlife conservation areas; and (5) such other uses and in such hierarchical order as determined by the foreclosing governmental unit or units. (f) A foreclosing governmental unit may, in its local law, resolution or ordinance creating a land bank, or, in the case of multiple foreclosing governmental units creating a single land bank in the applicable intergovernmental cooperation agreement, require that any particular form of disposition of real property, or any disposition of real property located within specified jurisdictions, be subject to specified voting and approval requirements of the board of directors. Except and unless restricted or constrained in this manner, the board of directors may delegate to officers and employees the authority to enter into and execute agreements, instruments of conveyance and all other related documents pertaining to the conveyance of real property by the land bank. (g) All property dispositions shall be listed on the property disposition inventory established pursuant to paragraph (b) of this section within one week of disposition. Such records shall remain available for public inspection in the property disposition inventory indefinitely. (h) Failure to comply with the requirements in paragraph (g) of this section shall subject the land bank to a civil penalty of one hundred dollars per violation up to a maximum of ten thousand dollars for each parcel, recoverable in

an action brought by the attorney general or district attorney. The attorney general or district attorney may also seek rescission of the real property transaction.

§ 1610. Financing of land bank operations. (a) A land bank may receive funding through grants and loans from the foreclosing governmental unit or units which created the land bank, from other municipalities, from the state of New York, from the federal government, and from other public and private sources. **(b)** A land bank may receive and retain payments for services rendered, for rents and leasehold payments received, for consideration for disposition of real and personal property, for proceeds of insurance coverage for losses incurred, for income from investments, and for any other asset and activity lawfully permitted to a land bank under this article. **(c)** Upon the adoption of a local law, ordinance, or resolution by municipality, school district or any taxing district, fifty percent of the real property taxes collected on any specific parcel of real property identified by such municipality, school district or any taxing jurisdiction may be remitted to the land bank, in accordance with procedures established by regulations promulgated by the department of taxation and finance. Such allocation of real property tax revenues shall commence with the first taxable year following the date of conveyance and shall continue for a period of five years.

§ 1611. Borrowing and issuance of bonds. (a) A land bank shall have power to issue bonds for any of its corporate purposes, the principal and interest of which are payable from its revenues generally. Any of such bonds may be secured by a pledge of any revenues, including grants or contributions from the state of New York, the federal government, or any agency, and instrumentality thereof, or by a mortgage of any property of the land bank. **(b)** The bonds issued by a land bank are hereby declared to have all the qualities of negotiable instruments under New York state law. **(c)** The bonds of a land bank created under the provisions of this article and the income therefrom shall at all times be free from taxation for the state of New York or local purposes under any provision of New York law. **(d)** Bonds issued by the land bank shall be authorized by resolution of the board and shall be limited obligations of the land bank; the principal and interest, costs of issuance, and other costs incidental thereto shall be payable solely from the income and revenue derived from the sale, lease, or other disposition of the assets of the land bank. In the discretion of the land bank, the bonds may be additionally secured by mortgage or other security device covering all or part of the project from which the revenues so pledged may be derived. Any refunding bonds issued shall be payable from any source described above or from the investment of any of the proceeds of the refunding bonds and shall not constitute an indebtedness or pledge of the general credit of any foreclosing governmental unit or municipality within the meaning of any constitutional or statutory limitation of indebtedness and shall contain a recital to that effect. Bonds of the land bank shall be issued in such form, shall be in such denominations, shall bear interest, shall mature in such manner, and be executed by one or more members of the board as provided in the resolution authorizing the issuance thereof. Such bonds may be subject to redemption at the option of and in the manner determined by the board in the resolution authorizing the issuance thereof. **(e)** Bonds issued by the land bank shall be issued, sold, and delivered in accordance with the terms and provisions of a resolution adopted by the board. The board may sell such bonds in such manner, either at public or at private sale, and for such price as it may determine to be in the best interests of the land bank. The resolution issuing bonds shall be published in a newspaper of general circulation within the jurisdiction of the land bank and posted prominently and continuously on the homepage of any website maintained by the land bank. **(f)** Neither the members of a land bank nor any person executing the bonds shall be liable personally on any such bonds by reason of the issuance thereof. Such bonds or other obligations of a land bank shall not be a debt of any municipality or of the state of New York, and shall so, state on their face, nor shall

any municipality or the state of New York nor any revenues or any property of any municipality or of the state of New York be liable therefor.

§ 1612. Public records and public meetings. (a) The board shall cause minutes and a record to be kept of all its proceedings. Except as otherwise provided in this section, the land bank shall be subject to the open meetings law and the freedom of information law. (b) A land bank shall hold a public hearing prior to financing or issuance of bonds. The land bank shall schedule and hold a public hearing and solicit public comment. After the conclusion of the public hearing and comments, the land bank shall consider the results of the public hearing and comments with respect to the proposed actions. Such consideration by the land bank shall include the accommodation of the public interest with respect to such actions; if such accommodation is deemed in the best interest of the community proposed actions shall include such accommodation. (c) In addition to any other report required by this chapter, the land bank, through its chairperson, shall annually deliver, in oral and written form, a report to the municipality. Such report shall be presented by March fifteenth of each year to the governing body or board of the municipality. The report shall describe in detail the projects undertaken by the land bank during the past year, the monies expended by the land bank during the past year, and the administrative activities of the land bank during the past year. At the conclusion of the report, the chairperson of the land bank shall be prepared to answer the questions of the municipality with respect to the projects undertaken by the authority during the past year, the monies expended by the municipality during the past year, and the administrative activities of the municipality during the past year.

§ 1613. Dissolution of land bank. A land bank may be dissolved as a charitable not-for-profit corporation sixty calendar days after an affirmative resolution approved by two-thirds of the membership of the board of directors. Sixty calendar days advance written notice of consideration of a resolution of dissolution shall be given to the foreclosing governmental unit or units that created the land bank, shall be published in a local newspaper of general circulation, and posted prominently and continuously on the homepage of any website maintained by the land bank, and shall be sent certified mail to the trustee of any outstanding bonds of the land bank. Upon dissolution of the land bank all real property, personal property and other assets of the land bank shall become the assets of the foreclosing governmental unit or units that created the land bank. In the event that two or more foreclosing governmental units create a land bank in accordance with section sixteen hundred three of this article, the withdrawal of one or more foreclosing governmental units shall not result in the dissolution of the land bank unless the intergovernmental agreement so provides, and there is no foreclosing governmental unit that desires to continue the existence of the land bank.

§ 1614. Conflicts of interest. No member of the board or employee of a land bank shall acquire any interest, direct or indirect, in real property of the land bank, in any real property to be acquired by the land bank, or in any real property to be acquired from the land bank. No member of the board or employee of a land bank shall have any interest, direct or indirect, in any contract or proposed contract for materials or services to be furnished or used by a land bank. The board may adopt supplemental rules and regulations addressing potential conflicts of interest and ethical guidelines for members of the board and land bank employees.

§ 1615. Construction, intent and scope. The provisions of this article shall be construed liberally to effectuate the legislative intent and the purposes as complete and independent authorization for the

performance of each and every act and thing authorized by this article, and all powers granted shall be broadly interpreted to effectuate the intent and purposes and not as a limitation of powers. Except as otherwise expressly set forth in this article, in the exercise of its powers and duties under this article and its powers relating to property held by the land bank, the land bank shall have complete control as fully and completely as if it represented a private property owner and shall not be subject to restrictions imposed by the charter, ordinances, or resolutions of a local unit of government.

§ 1616. Delinquent property tax enforcement. The municipality may enter into a contract to sell some or all of the delinquent tax liens held by it to a land bank, subject to the following conditions: (a) The consideration to be paid may be more or less than the face amount of the tax liens sold. (b) Property owners shall be given at least thirty days advance notice of such sale in the same form and manner as is provided by subdivision two of section eleven hundred ninety of the real property tax law. Failure to provide such notice or the failure of the addressee to receive the same shall not in any way affect the validity of any sale of a tax lien or tax liens or the validity of the taxes or interest prescribed by law with respect thereto. (c) The municipality shall set the terms and conditions of the contract of sale. (d) The land bank must thirty days prior to the commencement of any foreclosure action provide to the municipality a list of liens to be foreclosed. The municipality may, at its sole option and discretion, repurchase a lien or liens on the foreclosure list from the land bank. The repurchase price shall be the amount of the lien or liens plus any accrued interest and collection fees incurred by the land bank. The land bank shall provide the foreclosure list to the municipality, along with the applicable repurchase price of each lien, by certified mail, and the municipality shall have thirty days from receipt to notify the land bank of its option to purchase one or more of the liens. If the municipality opts to purchase the lien, it shall provide payment within thirty days of receipt of the repurchase price of said lien or liens. If the municipality shall fail to opt to repurchase the lien or liens the land bank shall have the right to commence a foreclosure action immediately. (e) The sale of a tax lien pursuant to this article shall not operate to shorten the otherwise applicable redemption period or change the otherwise applicable interest rate. (f) Upon the expiration of the redemption period prescribed by law, the purchaser of a delinquent tax lien, or its successors or assigns, may foreclose the lien as in an action to foreclose a mortgage as provided in section eleven hundred ninety-four of the real property tax law. The procedure in such action shall be the procedure prescribed by article thirteen of the real property actions and proceedings law for the foreclosure of mortgages. At any time following the commencement of an action to foreclose a lien, the amount required to redeem the lien, or the amount received upon sale of a property, shall include reasonable and necessary collection costs, attorneys' fees, legal costs, allowances, and disbursements. (g) The provisions of title five of article eleven of the real property tax law shall apply so far as is practicable to a contract for the sale of tax liens pursuant to this article. (h) If the court orders a public sale pursuant to section eleven hundred thirty-six of the real property tax law, and the purchaser of the property is the land bank, then the form, substance, and timing of the land bank's payment of the sales price may be according to such agreement as is mutually acceptable to the plaintiff and the land bank. The obligation of the land bank to perform in accordance with such agreement shall be deemed to be in full satisfaction of the tax claim which was the basis for the judgment. (i) Notwithstanding any other provision of law to the contrary, in the event that no municipality elects to tender a bid at a public sale pursuant to the provisions of section eleven hundred sixty-six of the real property tax law or sale pursuant to the provisions of a county charter, city charter, administrative code, or special law when applicable under section eleven hundred four of the real property tax law, the land bank may tender a bid at such sale in an amount equal to the total amount of all municipal claims and liens which were the basis for the

judgment. In the event of such tender by the land bank the property shall be deemed sold to the land bank regardless of any bids by any other third parties. The bid of the land bank shall be paid as to its form, substance, and timing according to such agreement as is mutually acceptable to the plaintiff and the land bank. The obligation of the land bank to perform in accordance with such agreement shall be deemed to be in full satisfaction of the municipal claim which was the basis for the judgment. The land bank, as purchaser at such public sale or sale pursuant to the provisions of a county charter, city charter, administrative code, or special law when applicable under section eleven hundred four of the real property tax law, shall take and forever thereafter have, an absolute title to the property sold, free and discharged of all tax and municipal claims, liens, mortgages, charges and estates of whatsoever kind. The deed to the land bank shall be executed, acknowledged and delivered within thirty days of the sale. Alternatively, the land bank can assign all rights resulting from the land bank's successful tender for the property to the foreclosing governmental unit, which would allow the property to be deeded directly to the foreclosing governmental unit. All land bank acquisitions pursuant to this paragraph shall comply with section sixteen hundred eight of this article and all dispositions of property acquired pursuant to this paragraph shall comply with section sixteen hundred nine of this article.

§ 1617. Contracts. (a) The land bank may, in its discretion, assign contracts for supervision and coordination to the successful bidder for any subdivision of work for which the land bank receives bids. Any construction, demolition, renovation and reconstruction contract awarded by the land bank shall contain such other terms and conditions as the land bank may deem desirable. The land bank shall not award any construction, demolition, renovation and reconstruction contract greater than ten thousand dollars except to the lowest bidder who, in its opinion, is qualified to perform the work required and who is responsible and reliable. The land bank may, however, reject any or all bids or waive any informality in a bid if it believes that the public interest will be promoted thereby. The land bank may reject any bid, if, in its judgment, the business and technical organization, plant, resources, financial standing, or experience of the bidder justifies such rejection in view of the work to be performed. (b) For the purposes of article fifteen-A of the executive law only, the land bank shall be deemed a state agency as that term is used in such article, and all contracts for procurement, design, construction, services and materials shall be deemed state contracts within the meaning of that term as set forth in such article.