

## TROY COMMUNITY LAND BANK CORPORATION

### REAL PROPERTY ACQUISITION GUIDELINES

**Section 1. DEFINITIONS** As used herein, the following terms shall have the meaning set forth below.

1. **“Board”** shall mean the Board of the Troy Community Land Bank Corporation (TCLB).
2. **“Acquisition” or “Acquire”** shall mean the transfer to the TCLB of title or any other beneficial interest in Real Property in accordance with these Guidelines, and the Law of the State of New York.
3. **“Guidelines”** shall mean these Guidelines, as amended from time to time by resolution of the Board.
4. **“Holding Period”** shall mean the estimated time period that the land bank will hold an Acquired parcel of Real Property and which shall be estimated prior to the Board considering the Acquisition.
5. **“Land Bank”** shall mean the Troy Community Land Bank Corporation (TCLB).
6. **“N-PCL”** shall mean the New York State Not-for-Profit Corporation Law as amended from time to time.
7. **“PAL”** shall mean the New York Public Authorities Law, as amended from time to time.
8. **“Purchase”** shall mean that process of Acquisition of Real Property by the Land Bank whereby consideration of any kind is given to a third party transferor by the Land Bank for the compensation of the third party transferor in reference to the Real Property acquired.
9. **“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.

### Section 2. CONTROLLING LEGISLATION

1. PAL §2824(e) requires the TCLB to establish a written policy regarding the acquisition of Real Property by the Land Bank. The N-PCL places statutory restrictions upon the ability of the Land Bank to Acquire Real Property.
2. These Guidelines are intended to be consistent with and shall be construed in accordance with the PAL and N-PCL. The Land Bank shall Acquire Real Property in accordance with these Guidelines, the PAL and the N-PCL.

### Section 3. ACQUISITION OF PROPERTY BY THE LAND BANK

1. **Methods of Acquisitions.** The TCLB may Acquire Real Property or any interest in Real Property by gift, devise, transfer, exchange, foreclosure, purchase or otherwise on terms and conditions that the Land Bank considers proper.
2. **Board Approval.** The TCLB shall not Acquire any interest in any Real Property by Purchase or otherwise unless such Acquisition is authorized by a vote of a majority of the Board or a committee of the Board if one is so empowered, as required pursuant to N-PCL §509.

3. Geographical Area Limitation. The TCLB shall not own and Real Property outside of the jurisdictional Boundaries of the City of Troy, Rensselaer County in compliance with N-PCL §1608(e).
4. Character of the Property. Pursuant to N-PCL §1608(g) the Acquisition of Real Property by the TCLB from entities other than the City of Troy, shall be limited to real property that is tax delinquent, tax foreclosed, vacant or abandoned; provided however that the Land Bank may Acquire other Real Property consistent with an approved redevelopment plan.
5. Inventory List. Pursuant to N-PCL §1608(h) and 1608(i) within one week of the Acquisition of any parcel of Real Property, the TCLB shall inventory the Acquired parcel in a publicly available inventory list. The list shall include the following details regarding every parcel of Real Property so Acquired:
  - a. The location;
  - b. The purchase price;
  - c. The current assessed value;
  - d. Any amount owed to a locality for real property taxation;
  - e. The identity of the transferor; and,
  - f. Any known conditions or restrictions applicable to the property.
6. Every parcel of Real Property Acquired by the TCLB shall remain on the inventory list until at least one week prior to any disposal of any interest in said Real Property.
7. Failure to comply with the provisions of N-PCL §1608(h) and 1608(i), with regards to any individual parcel of Real Property, may cause the Acquisition of that parcel to be null and void as set forth in N-PCL §1608(g).

**Section 4. FACTORS FOR CONSIDERATION:** When contemplating the Acquisition of Real Property the Board, or an appropriately empowered committee of the Board, shall take into consideration the following factors as may be relevant:

1. Does the property support the mission of the TCLB.
2. Is the acquisition pursuant to a proposal or requests by governmental, nonprofit and for-profit entities that identify specific properties for ultimate acquisition and redevelopment, which:
  - a. act as catalyst for further development;
  - b. are part of a comprehensive development plan;
  - c. support infrastructure, public and green space development; or
  - d. reduce blight in the community. In particular, acquisition will be prioritized where the land bank participation is necessary to complete the redevelopment. In the case of municipal involvement, inter-local agreements (if required for development or maintenance) must be in place prior to acquisition.
3. Is the property available for immediate occupancy without need for substantial rehabilitation.
4. Is the property located in a reinvestment area that would support strategic neighborhood stabilization and revitalization plans.

5. Does the property meet the criteria for demolition, and such demolition will support blight elimination and neighborhood revitalization plans. This activity is contingent upon the funding available for the TCLB to facilitate demolition.
6. Does the property form a part of a land assemblage development plan by either the TCLB or partnering entities. (e.g. land banking)
7. Is the property vacant, non-conforming, or undevelopable such that it could be placed into a Side Lot Disposition Program or support a planned development.
8. Can the property generate operating support for the functions of the TCLB.
9. Is the property encumbered with any financial liabilities.
10. Are there any substantive environmental conditions that warrant a remediation plan and additional funding.
11. . Does the property allow for the creation or expansion of green or community space and urban gardens.
12. Does the property have title issues that are preventing the property from being developed to its highest and best use.
13. Does the property have a designated end use in place prior to acquisition.
14. Does the property have significant historic value.
15. Is the property city-owned and/or near schools, senior centers, or high visible areas that may pose safety issues to the community.

#### **Section 5. MISCELLANEOUS**

All properties acquired must have a maintenance plan in place that, at a minimum, ensures that as soon as practical after acquisition, the property will be secure and in compliance with all relevant City Codes and present no imminent threat to the health and safety of the public and/or adjoining properties.

Acquisition decisions should be supported by a pro forma which projects all anticipated costs of acquiring, holding, developing (if applicable), and disposing of the property.

In no event should the Board approve the acquisition of a property for which general liability insurance is not available.

Any exception to these policies governing acquisition shall be taken to the full governing body of the Land Bank for approval.

In the case of real property donated to the TCLB or conveyed at less than full market value, the TCLB will not determine donation value for the purpose of tax benefits, but will provide a letter describing the property donated as a contemporaneous written acknowledgment under section 170(1)(8) of the Internal Revenue Code. The Grantor will be advised of the status of the TCLB as a tax exempt entity and advised to share that information with a qualified professional who can advise the Grantor with respect to any potential tax consequences.

This policy shall take effect immediately upon adoption by resolution of the Board of the Troy Community Land Bank. The Board retains the right to modify this policy at any time. This policy may

also be modified as necessary to comply with the law, or to reflect new programs implemented by the Land Bank.

The Property Acquisition Committee, or such other committee as may be designated by the Board, shall, consistent with these guidelines, review the terms of any proposed Acquisition of Real Property, whether by purchase, donation or otherwise, and make its recommendation to the full Board.