



Albany County Land Bank Corporation 2015/2016 Annual Report

September 2016

Sample Land Bank acquisitions from various municipalities throughout Albany County



Table of Contents

Executive Summary.....	4
Letter from the Chairman of the Board and the Executive Director	5
Land Bank Operations, Performance and Accomplishments	6
Property Acquisition	6
Property Improvements.....	10
Property Dispositions.....	13
Administrative and Supporting Activities	15
Looking Ahead.....	17
Appendix	20
Real Property Transactions	
Corporate Bylaws	
Corporate Ethics	
NYS Not For Profit Law Article 16	
Albany County Resolution 68 of 2014	
Audited Financial Report	
Additional Corporate Information and Reporting	

On the cover: work continues on the full rehabilitation of 309 Clinton Avenue in the City of Albany. The rehabilitation is one of five being completed under a partnership between the Albany County Land Bank and Habitat for Humanity Capital District

Executive Summary

The Albany County Land Bank Corporation was established by the Albany County Legislature in 2014 and is an organization committed to improving neighborhoods throughout Albany County. The Albany County Land Bank has a responsibility to improve Land Bank properties and return them to the tax rolls.

The Albany County Land Bank pursues its mission through the acquisition of tax foreclosed, vacant and abandoned properties, reducing or eliminating the harms and liabilities posed by those properties, and disposing of the properties to responsible owners through a transparent process to achieve outcomes consistent with neighborhood, comprehensive and other development plans.

The Albany County Land Bank is...

Improving neighborhoods...

The Land Bank has enabled over 40 properties to return to productive use and is returning more every month.

Investing in communities...

The Land Bank has made over 100 property improvements and has invested more than \$1.5 M into revitalizing neighborhoods.

Stimulating investment...

The Land Bank has incentivized more than \$1.85 M in additional investment through the rehabilitation of properties purchased from the Land Bank.

Returning properties to the tax base...

Closed and pending Land Bank sales are expected to return more than \$1 M in assessed property values.

Addressing vacancy in communities throughout Albany County...

The Land Bank is expected to have acquired property in every municipality within the next year.

Building partnerships...

The Land Bank is working with municipal leaders, residents and local organizations to combat vacancy and strengthen communities.

Growing...

The Land Bank has acquired nearly 200 properties throughout Albany County and could potentially exceed 600 acquisitions in Year 3 of operation.

Looking ahead...

The Land Bank has made significant progress over the last two years and will continue to work with all of its partners to revitalize neighborhoods throughout Albany County.

Letter from the Chairman of the Board and the Executive Director



Friends,

Our second year of operation has brought significant progress in the Land Bank's ongoing efforts to revitalize our neighborhoods and eliminate the harms that vacant and abandoned properties have on communities throughout Albany County.

Thanks to the continued support of Albany County and the New York State Attorney General's Office, the Land Bank has been able to make substantial investments in neighborhoods that have traditionally seen years of disinvestment, incentivize millions of dollars of additional private investment and restored property value, and responsibly return properties to productive use.

Although we have made great strides since our inception in early 2014, we have much more work ahead of us. The upcoming year promises to present many challenges and opportunities. The Albany County Land Bank will continue to lead the effort to reclaim vacant properties throughout Albany County.

We remain committed to strengthening neighborhoods across the County and look forward to another year of working with all of our partners.

Sincerely,

Charles Touhey
Chairman of the Board

Adam Zaranko
Executive Director



"Revitalization of neighborhoods continues throughout Albany County thanks to the Land Bank and the hard work of its board and staff," said Albany County Executive Daniel P. McCoy. "Our Land Bank ranks the second largest in the state for the number of properties it has in its inventory and one of the top performers in properties sold. That has happened quickly and means more neighborhoods are rejuvenated. We need to continue to invest in our communities. Making them stronger makes Albany County an even better place to live, work and raise a family."

Introduction

The following report summarizes the activities and accomplishments of the Albany County Land Bank Corporation. For the purposes of this report the following Land Bank operating timeframes are used (“ACLB Operating Year” and “ACLB Operating Quarter”):

Calendar Year	2014				2015				2016				2017			
Calendar Quarter	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
ACLB Operating Year	Year 1*				Year 2				Year 3*							
ACLB Operating Quarter	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4				

*For the purposes of reporting Operating Year 1 commences May 2014 and Q1 Year 3 includes the period from July 1, 2016 to Sept. 1, 2016

Land Bank Operations, Performance and Accomplishments

The Albany County Land Bank pursues its mission through the acquisition of tax foreclosed, vacant and abandoned properties, reducing or eliminating the harms and liabilities posed by those properties, and disposing of the properties to responsible owners through a transparent process to achieve outcomes consistent with neighborhood, comprehensive and other development plans.

Property Acquisitions

The Land Bank acquired 36 properties in Year 2. The majority of these acquisitions were comprised of properties made available from Albany County through the “in rem” delinquent tax lien foreclosure process.

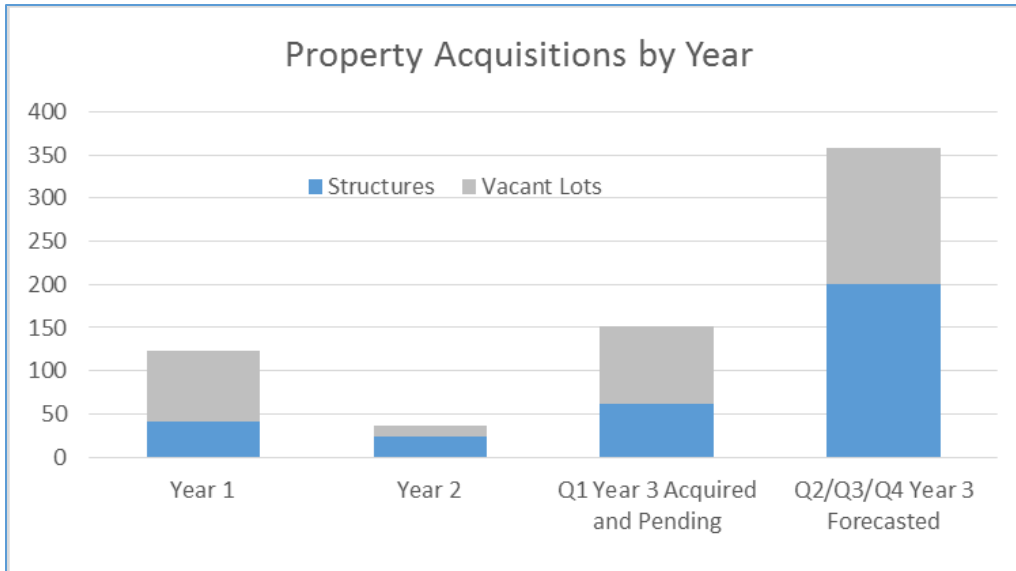
The Albany County Land Bank’s property portfolio is expected to grow significantly in the upcoming year. Projections of available data regarding Albany County’s near-term property tax-foreclosure pipeline indicates an increase in both total property volume as well as a greater geographic distribution across municipalities throughout the County. It is anticipated that the Land Bank will exceed 300 property acquisitions in the first half of Year 3, and could potentially surpass 600 total property acquisitions in Year 3. While it is difficult to accurately forecast the exact number of properties that the Land Bank will acquire, County records allow for relatively accurate estimates.

Type	Summary of Current and Forecasted Acquisitions					
	Year 1	Year 2	Q1 Year 3		Q2/Q3/Q4 Year 3	Total ³
			Acquired	Pending ¹	Forecasted ²	
Structures	41	24	12	49	200	326
Vacant Lots	82	12	18	72	158	342
Total	123	36	30	121	358	668

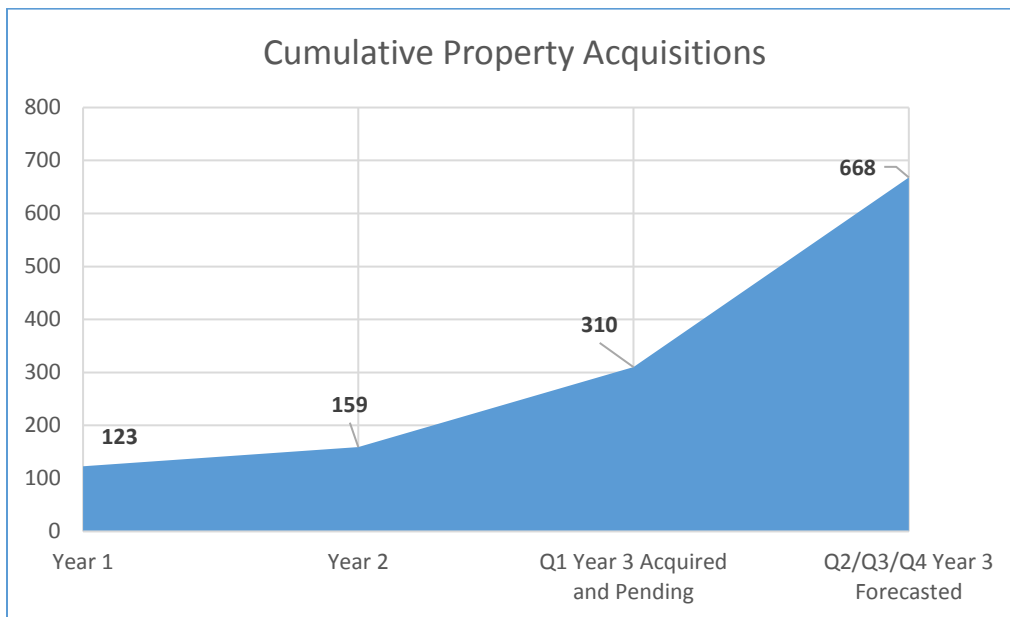
1 Number of properties made available from Albany County for the Land Bank to acquire pursuant to Resolution 16-173

2 Forecasts are estimates based on most recent available data, properties that may be made available for acquisition. Actual figures subject to change

3 Includes pending and forecasted potential acquisitions, actual figures subject to change



The Land Bank expects a significant increase in property acquisitions in Year 3. Approximately half of the properties the Land Bank has acquired from Albany County are vacant lots.

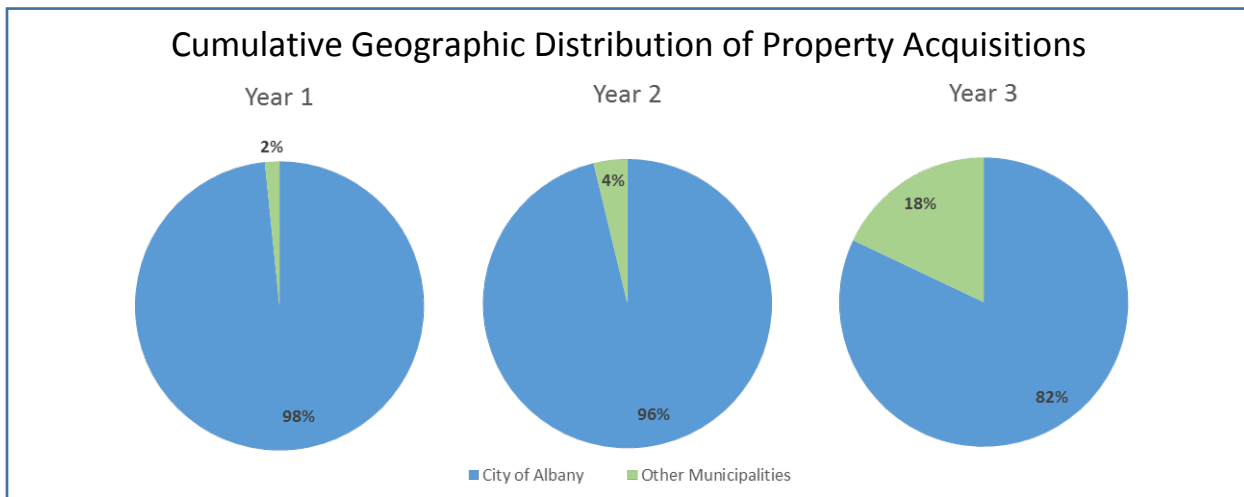


It is anticipated that the Land Bank will surpass 600 total acquisitions in Year 3

The Albany County Land Bank is currently the second largest Land Bank in the New York State as measured by both property acquisitions and inventory, and the fourth largest by properties sold.¹ Based on current forecasts it is anticipated that the Albany County Land Bank will retain a similar position in these categories among its peers in the forthcoming year.

¹ Based on survey of best available performance metrics of New York State Land Bank Association members

Nearly all acquisitions made in Year 1 were located in the City of Albany, which has the greatest concentration of vacant properties in the County. The majority of properties acquired in the City of Albany were located in the Arbor Hill, Sheridan Hollow, South End, West End and West Hill neighborhoods (collectively, known as the Land Bank’s “Focus Neighborhoods”). There was a gradual shift in geographic distribution of Land Bank acquisitions in Year 2 as more properties were made available to the Land Bank through the County’s tax-foreclosure process, although overall volume remained greatest in the City of Albany. Year 3 trends show considerable growth in both overall property acquisitions in the City of Albany Focus Neighborhoods as well as a significant increase in the distribution of properties across municipalities throughout the County. Given the current trends, it is expected that the Land Bank will have acquired property in every municipality in Albany County by the end of Year 3.



There was a slight increase in acquisitions outside the City of Albany in Year 2. Geographic distribution throughout the County is expected to increase in Year 3, with approximately 18% of the total portfolio located outside the City of Albany.

Increased aggregate acquisitions and a broader geographic distribution is expected to present both challenges and opportunities for the Land Bank. As geographic distribution increases so do factors that influence Land Bank operations such as property classification, costs, demographics and market conditions.



Before and after photo of a community garden created on a vacant lot acquired by the Land Bank in the Sheridan Hollow Neighborhood of Albany

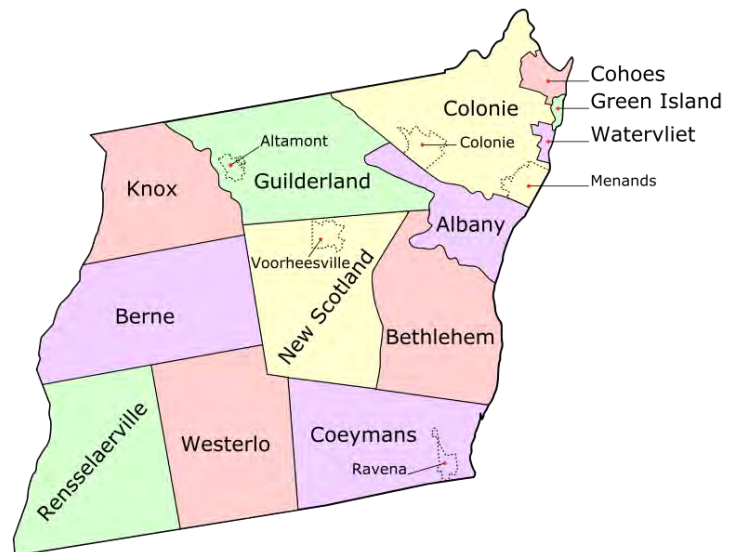
Addressing Vacancy throughout Albany County

The Land Bank serves an area of over 530 square miles that encompasses more than 300,000 residents living in the County's three cities (including the state capital), ten towns, six villages and numerous hamlets. Although concentrations of vacant and abandoned properties are greatest in the County's urban areas, vacancy does not recognize municipal borders nor are the detrimental impacts limited to any demographic or property type. Accordingly, the Land Bank has been working to address the challenge of acquiring, improving and returning properties back to productive use in municipalities across Albany County in connection with its status as a county-wide organization.

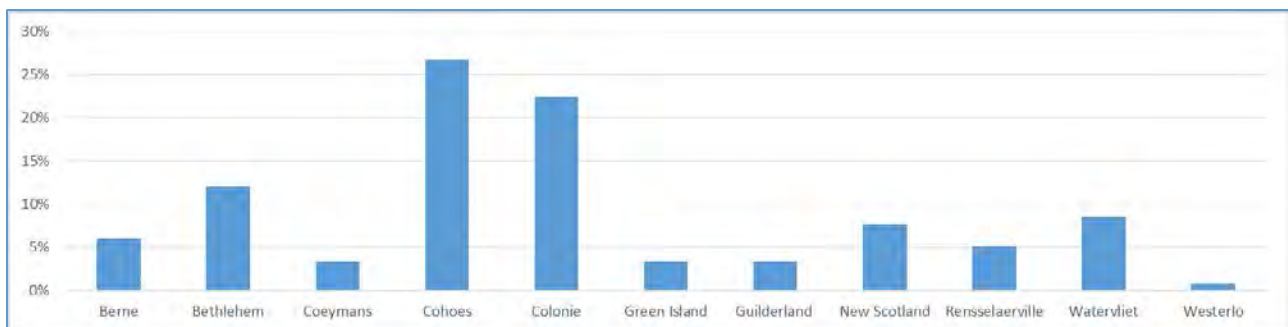
Over the past year Land Bank staff has engaged leadership from every city and nearly every town and village in Albany County, and has been acquiring tax-foreclosed properties from Albany County within many of these municipalities. The Land Bank will continue its ongoing efforts to work with all communities throughout the County to help address the challenge of vacancy.

To date the Land Bank's primary market has been within the City of Albany. Forthcoming acquisitions will require the Land Bank to coordinate locally and seek additional funding opportunities as it enters new markets to ensure that capacity keeps pace with increased demand for property sales and management.

The Albany County Land Bank serves an area of over 530 square miles that encompasses more than 300,000 residents living in the County's three cities, ten towns, six villages and numerous hamlets.



Map credit: UpstateNYer and ZooFari - Own work, CC BY 3.0, <https://commons.wikimedia.org/w/index.php?curid=10246897>mlets.



Distribution of current and potential acquisitions in municipalities other than the City of Albany through Year 3

Property Improvements

Once a property is acquired, the Land Bank may market a property and sell it “as-is,” retain (or “bank”) a property of strategic value, or, subject to available funding, employ one or more measures to improve a property in an effort to help eliminate harms to surrounding properties and make the property more attractive to a prospective buyer. The Albany County Land Bank completed 46 property improvements in Year 2. To date the Land Bank has improved or initiated the improvement of nearly 120 properties.

Improvement Type	Number of Properties		
	Completed Year 1	Completed Year 2	Year 3*
Full Rehabilitations	0	0	5
Stabilizations	1	14	24
Lots readied/Clean outs	10	19	15
Demolitions	5	13	12
Total Improvements	16	46	57

*Completed and underway

It is important to note that many of the properties the Land Bank acquires have been vacant for a considerable period of time and have deteriorated significantly. These properties typically require more than one improvement measure in order to reduce the amount of investment required to rehabilitate the building and return it to productive use.

How Does the Land Bank Improve Properties?

Rehabilitation: The Land Bank supports the creation of affordable housing and strives to provide opportunities for first-time homebuyers whenever viable. In some instances the Land Bank may sponsor the full rehabilitation of Land Bank properties. To be financially viable this approach often requires partnerships and the Land Bank is proud to partner with the City of Albany and Habitat for Humanity on our current portfolio of rehabilitation projects.

Stabilization: Building stabilization can take many forms and include measures such as strengthening the core of a building, securing/repairing façades, removal of asbestos containing material, roof repair or replacement, weatherization including the installation of roof drains, and masonry work.

Clean outs: Oftentimes vacant or abandoned buildings contain a significant amount of material that needs to be removed before the building can be stabilized and/or marketed for sale.

Lots readied: Approximately half of the Land Bank’s portfolio is comprised of vacant lots. At the time of acquisition these lots are often overgrown and/or victims of illegal dumping.

Demolitions: In some instances, the structure is deemed to be unsafe or the structure has deteriorated to the point where the level of investment is too significant to justify. In those cases the Land Bank may seek to demolish the building.

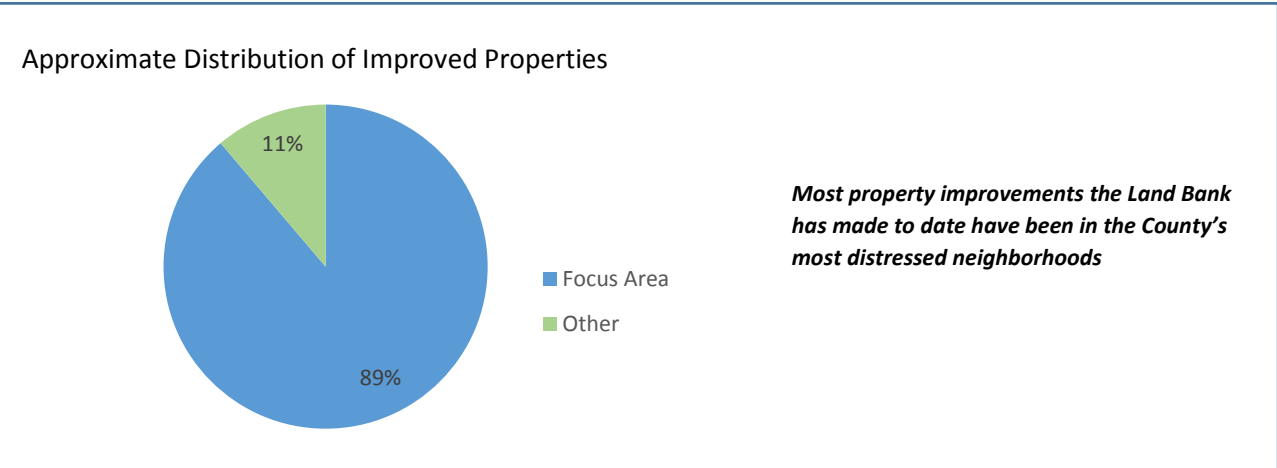
On-going property maintenance: The Land Bank property portfolio requires continual maintenance. The Land Bank seeks to employ local services to provide this function where possible.



Example of how the Land Bank prepares an acquisition for resale

Most property improvements made by the Land Bank are funded by a grant from the New York State Attorney General Office’s Community Revitalization Initiative. These funds enable the Land Bank to make investments in communities that have traditionally seen years of disinvestment. Due to the level of required investment and the absence of adequate and sustainable funding, most of these improvements would not be possible without grant funding. The Land Bank endeavors to hire local, minority and/or women-owned businesses to support its property improvement work.

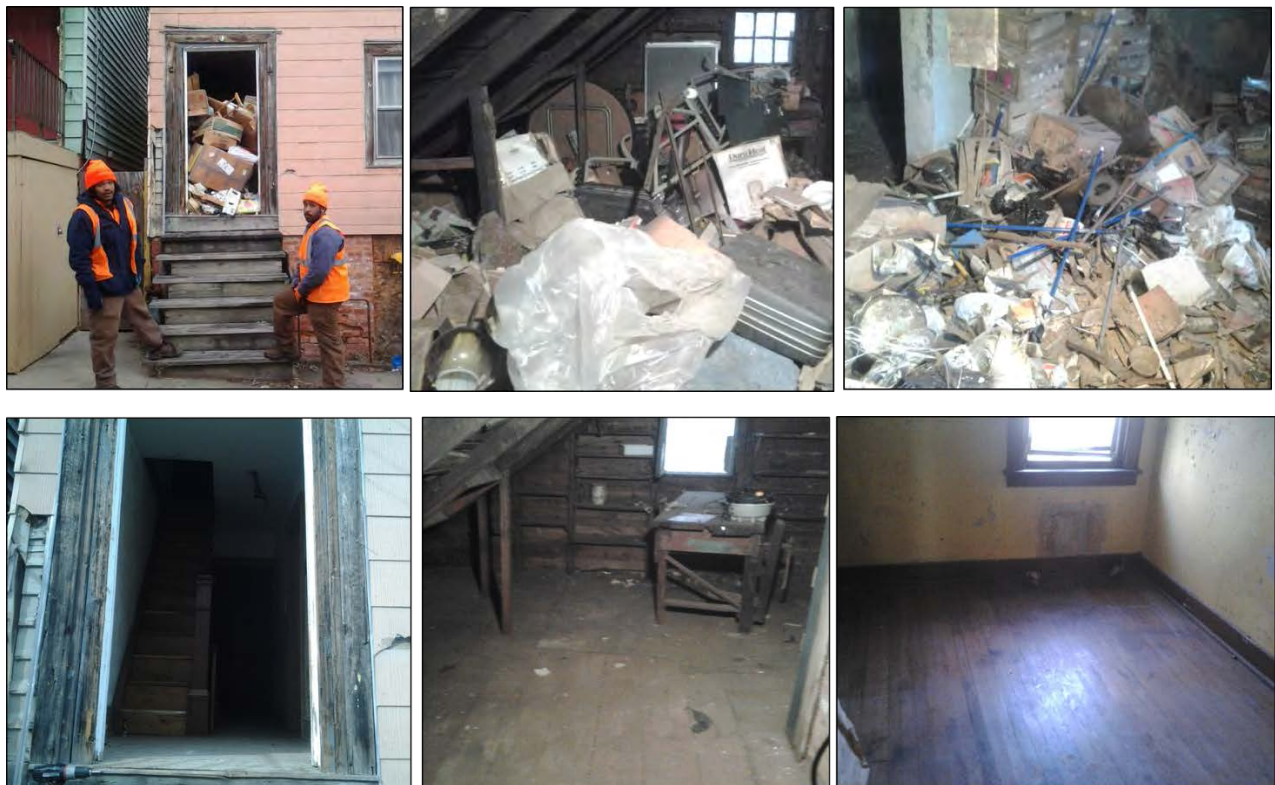
In Year 2 the Land Bank invested more than \$900,000 into improving properties and eliminating blight. Since commencement of operations the Land Bank has invested over \$1.5 M into property improvements and expects to exceed \$3 M in total investment by mid-Year 3. The Land Bank invests in properties based on a variety of factors, including condition of property and concentration of need. The majority of the Land Bank’s investment to date has been in the neighborhoods with the greatest prevalence of blighted properties acquired by the Land Bank, primarily the City of Albany’s Sheridan Hollow, West Hill, Arbor Hill and South End neighborhoods. During the first two years of operation the Land Bank focused investments in these neighborhoods of greatest need. As the Land Bank’s property portfolio and operational footprint continues to expand, the Land Bank will continue to invest in properties located in municipalities throughout the County.



Despite the significant amount of property improvements made by the Land Bank, many Land Bank properties require additional investment in order to return to productive use. Investments made by the Land Bank are often complemented by additional investments made by the buyer. These additional investments can include private funds and/or grants secured by the buyer. The level of outside investment varies by property and can fluctuate based upon a combination of factors including condition of a property at the time of acquisition, extent of any property improvements made by the Land Bank, and proposed project/scope of work, resources and capacity of the purchaser.

Through purchasing and improving properties from the Land Bank buyers become financially invested in neighborhoods, helping to revitalize communities with additional private investment that may not have otherwise materialized without the Land Bank. To date the Land Bank has incentivized an estimated \$1.85 M in additional investment², primarily through property improvements made by buyers of Land Bank properties.

In total, the Albany County Land Bank is responsible for fostering \$3.25 M in investment back into our communities.



Example of a clean-out conducted at an acquisition by the Land Bank before (top row) and after (bottom) row

² Estimated based on proposed rehabilitation budgets in Land Bank property purchase applications

Property Disposition

Perhaps the most important function of the Land Bank is returning properties back to productive use and back to the tax rolls. To date the Land Bank process has enabled more than 40 properties to be returned. More than 20 of these are residential properties, and upon rehabilitation, are expected to restore over 20 units to the housing supply. Many of these properties have affordability requirements which the Land Bank includes as a condition of a sale to ensure that properties remain affordable for many years. The Land Bank also supports the de-densification of housing where appropriate and when viable and has disposed of several properties that have reduced density to a level that is more contextual with the surrounding neighborhood.

Units returned	Year 2	Year 3*
Single-family; owner-occupy	4	2
Single-family; rental	0	2
Multi-family; owner-occupy with rental units	0	3
Multi-family; rental units	5	7
Total	9	14

*Includes closed and approved pending sales, subject to change

The Albany County Land Bank disposed of 23 properties in Year 2 generating \$293,300 in sales. Land Bank buildings comprised the majority of sales revenue in Year 2, although the Land Bank disposed of a greater number of vacant lots, with most being sold through the Land Bank's side lot program. Year 2 sales significantly outperformed initial projections, largely attributable to several higher value property transactions and an increased uptake in the side lot program. Although early in the year, first quarter sales figures for Year 3 are promising. Through September 1, 2016 the Land Bank has sold seven properties, all buildings, out performing its total volume of building sales from all of Year 2. These sales have generated approximately \$219,000 in revenue, primarily driven by a high value property located in the Town of Colonie.

	Year 2		Q1 Year 3 Closed		Pending ²		Total ³	
	Number	Sales	Number	Sales	Number	Sales	Number	Sales
Buildings	6	\$266,100	7	\$219,000	8	\$60,750	21	\$545,850
Vacant lots ¹	17	\$27,200	0	-	5	\$7,000	22	\$34,200
Total	23	\$293,300	7	\$219,000	13	\$67,750	43	\$580,050

Notes: 1 Includes side lots; 2 Board authorized sales that have not closed; 3 Includes pending sales; 4 There were no sales in Year 1 of Operation

The Land Bank Board of Directors approves additional transactions at each meeting. Current pending approved sales are expected to generate an additional \$67,750 in sales revenue. It's important to note that current sales performance has been bolstered by disposing of a handful of higher-value properties. While these properties are a welcomed addition to the Land Bank portfolio, they are not representative of the tax-foreclosed properties typically acquired from Albany County.

To date, Land Bank transactions have averaged \$13,500 per property.³ Building sales have averaged approximately \$26,000 per transaction and vacant lots generate approximately \$1,550 per transaction. Adjusting for two +\$100,000 transactions completed by the Land Bank, the average sales price for a Land Bank building is approximately \$13,500. Considering that a typical building stabilization can range between \$10,000 and \$25,000, returning buildings that have been vacant for a significant amount of time and are severely deteriorated back to productive comes at a net loss of income to the Land Bank. Many properties acquired by the Land Bank have little to no market value and would likely remain vacant without Land Bank investment. In many neighborhoods, the Land Bank is essentially creating a market for these properties where there was previously little to no market.

Although there are a variety of factors that must be considered when calculating assessed value, the most current available data suggests that the assessed value of closed and pending Land Bank sales to be returned to the County tax base is over \$1 M.

³ Includes approved sales that are pending

Administrative and Supporting Activities

The Land Bank's administrative and supporting activities can be organized around four core principles:

- Creating and strengthening key partnerships
- Organizational efficiency and effectiveness
- Local planning and strategy
- Maximize funding opportunities

The following is a summary of progress made by the Land Bank in these areas during Year 2 of operation:

Creating and strengthening key partnerships

While the Land Bank plays a significant role in reducing the proliferation of blight and revitalizing neighborhoods, its impact can be amplified by partnering with other organizations with similar missions. These organizations can include federal and state government, but given the localized impacts of vacant property, often involves local municipalities, neighborhood and nonprofit organizations. Over the past year the Land Bank has been fostering relationships with these organizations to identify ways to partner and help address mutual challenges. These partners include:

- Affordable Housing Partnership Homeownership Center
- Albany Community Land Trust
- Albany Community Development Agency
- Arbor Hill Development Corp
- Albany Housing Authority
- Community Loan Fund of the Capital Region
- Habitat for Humanity Capital District
- Historic Albany Foundation
- South End Improvement Corporation

Residents of the neighborhoods where the Land Bank operates are our most valuable partners. The Land Bank strives to work with residents who want to invest in their neighborhoods. The Land Bank also works closely with a wide array of elected officials, community advocates and neighborhood associations to ensure its work is consistent with desired local outcomes wherever possible.

Organizational efficiency and effectiveness

In order to maximize program output the Land Bank frequently evaluates its organizational needs and processes and adjusts them accordingly. Progress in this area includes:

Staffing/capacity building – in an effort to accommodate forecasted growth the Land Bank has:

- In April 2016 the Land Bank Board of Directors appointed Adam Zaranko as Executive Director
- In August 2016 the Land Bank Board of Directors authorized the creation of a new staff position to assist with real estate sales and property management
- In August 2016 the Land Bank submitted an application to host up to three AmeriCorps members through a joint program offer by LISC National AmeriCorps and the NYS Housing Stabilization Fund intended to increase the capacity of NYS Land Banks

Land Bank Process and Procedures - as part of ongoing efforts to streamline acquisition, property improvement and disposition processes the Land Bank has:

- Developed a property intake survey for newly acquired properties
- Authorized the expedited acquisition of tax-foreclosed properties made available from the County
- Engaged local municipalities to understand local requirements and facilitate improvement approvals
- Revised the property purchase application based on feedback received from applicants and community members
- Reduced closing timeframes on most property purchases to expedite overall transaction time

Local planning and strategy

Vacancy and blight is a hyper-local challenge that doesn't recognize neighborhood or municipal borders. In order to combat these issues effectively the Land Bank seeks to understand local conditions to better understand the challenges and opportunities in each neighborhood. This information varies by municipality and by neighborhood and can range from comprehensive neighborhood plans to meetings with local leadership to conversations with local civic organizations, community members and other stakeholders. Oftentimes the Land Bank pursues an assortment of sources and collects input from a combination of stakeholders to provide a frame of reference to guide its work. Additionally, the Land Bank recognizes that its real estate portfolio can support a variety of local initiatives and endeavors to participate in and support local planning efforts and programs when viable. Examples of recent efforts include:

- Arbor Hill Development Corporation's Sustainable Homebuyers Program
- Breathing Lights Public Art Program
- City of Albany's Re-Imagine West End/West Hill study
- City of Cohoes Comprehensive Plan

Maximize funding opportunities

The Land Bank has been able to make significant progress in revitalizing neighborhoods over the past two years due to funding provided by the NYS Attorney General's Office and Albany County. However, these funding commitments are not reoccurring and there are currently no funding commitments beyond initial allocations. As with any organization, the Land Bank recognizes that it must diversify its revenue stream to ensure continuity of operations and reduce its reliance on government support. Towards that end, the Land Bank has been exploring a variety of measures to increase property sales and has been pursuing grants and other funding opportunities – both individually and with local partners - as they become available. The Land Bank will continue to pursue all viable funding opportunities as it strives towards a more sustainable business model, but due to the unpredictability of such sources, grants and other one-time allocations should be considered complementary and do not supplant the need for identifying sustainable or reoccurring funding sources.

Identifying a Sustainable Funding Model

Like all Land Banks in the state, the Albany County Land Bank Corporation currently depends on financial support from various government sources to achieve its mission. Despite generous support from Albany County and ongoing efforts to minimize operating costs and maximize sales revenue, the condition and type of properties made available to the Land Bank, the amount of resources needed to render many of the properties marketable, and the ultimate market value of the properties preclude the Land Bank from independently operating at a surplus in the near-term.

While the Land Bank will continue to seek a sustainable business model, its impact is limited by the absence of reoccurring sources of funding. In addition, current reliance on one-time allocations make it difficult to plan beyond one to two years. It should be noted that reoccurring funding is not limited to regular direct financial subsidies and could include the acquisition and resale of higher value real estate and the pursuit of other real-estate related revenue generating ventures.

The benefits of eliminating vacancy and returning properties to productive use is well documented. Land Banks are powerful tools that can help communities increase the supply of affordable housing, improve the tax base, increase property values, stabilize neighborhoods, create more green space, facilitate economic development, decrease operating costs for local units of governments, eliminate blight and reduce liabilities. The Albany County Land Bank staff and Board of Directors will continue to work with all stakeholders to identify opportunities to support the Land Bank and its work so that the benefits can continue to be realized in communities throughout Albany County.

Looking Ahead

The Albany County Land Bank will continue to build upon its successful track record of returning long-vacant and abandoned properties to productive use. In the upcoming year the Land Bank will seek to increase opportunities for homeownership, deepen its community engagement, expand its strategic planning efforts, leverage its powers to facilitate local economic development, create new – and fortify existing - strategic partnerships, and implement innovative new programs to help reclaim vacant properties and return them to productive use.

About the Albany County Land Bank Corporation

The Albany County Land Bank Corporation was established by the Albany County Legislature in 2014 and is an organization committed to improving neighborhoods throughout Albany County. The Albany County Land Bank has a responsibility to improve Land Bank properties and return them to the tax rolls.

The mission of the Albany County Land Bank is to:

- Facilitate the process of acquiring, improving and redistributing vacant properties
- Eliminate the harms and liabilities caused by such properties
- Return properties to productive use
- Remain consistent with each municipality's redevelopment and comprehensive plans

Board of Directors

Charles Touhey, Chair
Touhey Associates

Todd Curley
The Prime Companies

Pamela Harper, PHD, Vice Chair
New Jerusalem Church
Marist College

Corey Ellis
Capital District Black
Chamber Of Commerce

Michael Jacobson, Treasurer
City of Cohoes

Chris Spencer
City of Albany

Ralph Pascale, Secretary
City of Cohoes

David Traynham, Pastor
New Horizons Christian Church

Philip Calderone
Albany County

Samuel Wells
Resident

Land Bank Staff

Adam Zaranko
Executive Director

Amanda Wyckoff
Property & Development
Manager

Christina Wiley
Executive Assistant &
Special Project Coordinator

The Land Bank Board and Staff would like to extend a special thanks to Albany County, municipal leadership, residents, and the Community Advisory Committee for supporting the Land Bank.

Funding Partners/ Committed Funding



Office of the Attorney General
\$2,880,000



Albany County
\$1,500,000



City of Albany
\$250,000





ALBANY COUNTY LAND BANK CORPORATION



Work continues on full rehabilitations on Lark Street. The Land Bank is partnering with Habitat for Humanity Capital District on several rehabilitation projects.

2015/2016 Annual Report Appendix

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Real Property Summary – Estimated Fair Market Value +\$15,000

Address	City	State	Postal Code	Property Description	Estimated FMV	FMV determined	Transaction Type	Transaction Date	Purchase/Sale Price	Seller/Purchaser/Tenant Organization
100 Lark Street	Albany	NY	12210	Residential Building	\$ 20,000	Appraisal	Acquisition	10/14/2015	\$ 20,000	MLHL LLC
102 Lark Street	Albany	NY	12210	Residential Building	\$ 20,000	Appraisal	Acquisition	10/14/2015	\$ 20,000	MLHL LLC
22 Huribut Street	Albany	NY	12209	Residential Building	\$ 42,000	Appraisal	Acquisition	02/08/2016	\$ 40,000	Albany County
1 Chestnut Hill Road South	Colonie	NY	12211	Residential Building	\$ 147,500	Appraisal	Disposition - Sale	07/25/2016	\$ 141,000	Kostandian
61 Thatcher Street	Selkirk	NY	12158	Residential Building	\$ 28,000	Appraisal	Disposition - Sale	08/15/2016	\$ 25,000	Daniel T
45 Main Street	Cohoes	NY	12047	Residential Building	\$ 20,000	Appraisal	Disposition - Sale	05/02/2016	\$ 18,000	Pavel
543 Clinton Avenue	Albany	NY	12206	Residential Building	\$ 15,000	Assessment	Disposition - Sale	03/14/2016	\$ 16,500	Denyck
115 Morris Street	Albany	NY	12208	Residential Building	\$ 16,000	Appraisal	Disposition - Sale	05/25/2016	\$ 15,000	Michael
17 Glenwood Street	Albany	NY	12208	Residential Building	\$ 170,000	Appraisal	Disposition - Sale	06/06/2016	\$ 120,000	Seth
3941 Albany Street	Albany	NY	12304	Residential Building	\$ 75,000	Appraisal	Disposition - Sale	06/07/2016	\$ 90,100	Frank
5 Hopi Street	Albany	NY	12208	Vacant Lot/Undeveloped Land	\$ 20,000	Appraisal	Disposition - Sale	04/25/2016	\$ 5,000	Scott

Corporate Bylaws



ALBANY COUNTY
LAND BANK CORPORATION

BY-LAWS OF THE Albany County Land Bank Corporation

ARTICLE I

PRIMARY PURPOSE

SECTION 1. Primary Purpose: This Corporation was formed pursuant to Article 16 of the Not-for-Profit Corporation Law and is a charitable not-for-profit corporation. The primary purpose for which it is formed is to facilitate the return of tax-delinquent properties to productive use as well as the acquisition of real property that is tax delinquent, tax foreclosed, vacant, abandoned, and to eliminate the harms and liabilities caused by such properties.

SECTION 2. Name: The name of the corporation shall be as provided in its Certificate of Incorporation and is currently the Albany County Land Bank Corporation.

SECTION 3. Seal: The Corporation's seal shall be in the form of a circle and shall bear the name of the Corporation and the year of its organization, surrounding the picture of the Halfmoon, the ship captained by Henry Hudson as depicted on the seal for Albany County. The seal may be used by causing it, or a facsimile thereof, to be impressed or affixed or otherwise reproduced.

SECTION 4. Office: The office of the Albany County Land Bank shall be located in Albany County at such location as designated by the board of directors.

ARTICLE II

BOARD OF DIRECTORS

SECTION 1. Power of Board and Qualification of Directors: Each Director shall be at least eighteen (18) years of age. The Corporation shall be managed by its Board of Directors who shall exercise oversight and control over the officers and staff of the Corporation. The Board shall have all powers conferred on Boards of not-for-profit corporations pursuant to New York State law, or any other law that is applicable to the Corporation.

SECTION 2. Number, Election and Term of Office:

(a) **Number of Directors:** The entire Board of Directors, which shall consist of an odd number of members, and shall not be less than seven (7) members.

(b) **Term of Office:** The Directors of the Board of Directors shall serve until their successors have been appointed as set forth in Section 2(c).

(c) **Election:** Each initial director shall hold office until December 31, 2015, and all directors thereafter shall occupy terms concurrent with the terms of the members of the Albany County legislature. Directors may succeed themselves. Additional Directors shall be appointed by and serve at the pleasure of the Albany County Legislature.

The appointment and reappointment of all Directors shall occur at the commencement of every four year Legislative term starting with January 1, 2016. Members shall be deemed holdovers until such action has occurred.

SECTION 3. Vacancies: Vacancies occurring in any office shall be filled forthwith by a vote of the Albany County Legislature.

SECTION 4. Independence:

(a) No director, including the Chairman of the Board shall serve as the Corporation's Executive Director, Chief Operating Officer, Chief Financial Officer, Comptroller, or hold any other equivalent executive position or office while also serving as a board member.

(b) In compliance with Section 2825 of the New York Public Authorities Law, the majority of the Board shall be independent, as such term is defined in paragraph (c) below.

(c) Independence. For the purposes of these Bylaws, an independent board member is one who:

1. is not, and in the past two (2) years has not been employed by the Corporation or another corporate body having the same ownership and control of the Corporation in an executive capacity;
2. is not, and in the past two (2) years has not been employed by an entity that received remuneration valued at more than fifteen thousand dollars (\$15,000) for goods and services provided to the Corporation or received any other form of financial assistance valued at more than fifteen thousand dollars (\$15,000) from the Corporation;
3. is not a relative of an executive officer or employee in an executive position of the Corporation or another corporate body having the same ownership and control of the Corporation; and
4. is not, and in the past two (2) years has not been a lobbyist registered under a state or local law and paid by a client to influence the management decisions, contract awards, rate determinations or any other similar actions of the Corporation or another corporate body having the same ownership and control of the Corporation.

(d) Each member shall have one vote.

(e) In accordance with Section 2825(3) of the New York Public Authorities Law, Board members, officers, and employees of the Corporation shall file annual financial disclosure statements with the county board of ethics for the county in which the local public authority has its primary office pursuant to article eighteen of the general municipal law.

SECTION 5. Resignation and Removal of Directors:

(a) Any Director of the Corporation may resign at any time on delivery of written notice to the Chairperson or the Secretary. Such resignation shall take effect at the time specified therein or, if no time be specified, then on delivery.

(b) Any Director may be removed for neglect of duty or misconduct in office, or may be removed pursuant to any other provision of New York law, by vote of a 2/3 of the entire Board of Directors. In the event of a removal of any such Director, the Board of Directors shall select and recommend to the Albany County Legislature a successor Director to serve the remaining term of the removed Director he or she replaces.

(c) Any Director who participates in less than 65 percent of the Board meetings over his/her term on an annual basis shall be automatically removed unless the Director provides documented medical reasons for non-participation. In the event of removal for non-participation, the Board of Directors shall elect and recommend to the Albany County Legislature a successor Director within ninety days to serve the remaining term of the removed Director he or she replaces.

SECTION 6. Organization: At each meeting of the Board of Directors, the Chairperson shall preside. The Secretary as designated by resolution shall act as Secretary of the Board of Directors. In the event the Chairperson shall be absent from any meeting of the Board of Directors, the Vice Chairperson shall preside. In the event the Secretary shall be absent from any meeting of the Board of Directors, the Directors at the meeting shall select via voice vote an alternative member to serve as such.

SECTION 7. Place of Meetings: The Board of Directors shall hold its meetings in Albany County, New York, or at such place or places within or without the State of New York as the Board of Directors may from time to time by resolution determine. Said meetings shall be open to the public. The Board may go into executive session as permitted by New York Public Officers Law §105.

SECTION 8. Annual Meetings: The Annual Meeting of the Board of Directors shall be held in July or in such other month as the Board of Directors determines, at which time the Directors elect directors and officers and transact such other business as may properly come before the meeting.

SECTION 9. Regular Meetings of Directors: Monthly, regular meetings of the Board of Directors may be held at such place or places within Albany County, NY as the Board may from time to time by resolution determine. Notice of the time and place of regular meetings scheduled shall be provided to the news media at least seventy-two hours prior thereto. Public notice shall

also be conspicuously posted at the Land Bank's current office and on the Land Bank's website at least 72 hours before such meeting.

SECTION 10. Special Meetings: Special Meetings of the Board of Directors may be called by the Chairperson, or by the Secretary upon the demand of any three or more members of the Board of Directors. The Secretary of the corporation upon receiving the written demand shall promptly give notice of such meeting, or if he fails to do so within five (5) business days thereafter, any member signing such demand may give such notice. Notice shall be given by electronic mail or regular mail, and shall state the purposes, time and place of the meeting. Special meetings shall not occur less than two nor more than three months from the date of written demand. Such notice shall be given, to the extent practicable, to the news media and shall be conspicuously posted in one or more designated public locations at a reasonable time prior thereto.

SECTION 11. Action by the Board: Except as provided in section 1605(i) of the state Not For Profit Corporation Law, Public Authorities Law, or in these by-laws, an act of the Board means action taken at a meeting of the Board by vote of a majority of the Members present at the time of the vote, if a quorum is present at such time. The following matters must be approved by a 2/3 of the total board membership:

- (a) Adoption and amendment of By-Laws and other rules and regulations for conduct of the land bank's business;
- (b) Hiring and firing of any employee or contractor of the Land Bank, unless this function has been delegated by majority vote of the total board membership to a specified officer or committee of the Land Bank, under such terms and conditions, and to the extent, that the board may specify;
- (c) The incurring of debt;
- (d) Adoption or amendment of the annual budget; and
- (e) The sale, lease, encumbrance, or alienation of real property, improvements, or personal property;
- (f) The removal of a director.

SECTION 12. Actions by the Board Without a Meeting

Any action required or permitted to be taken by the board or any committee thereof may be taken without a meeting if all members of the board or the committee consent to the adoption of a resolution authorizing the action. Such consent may be written or electronic. If written, the consent must be executed by the director by signing such consent or causing his or her signature to be affixed to such consent by any reasonable means including, but not limited to, facsimile signature. If electronic, the transmission of the consent must be sent by electronic mail and set forth, or be submitted with, information from which it can reasonably be determined that the transmission was authorized by the director. The resolution and the written consents thereto by the members of the board or committee shall be filed with the minutes of the proceedings of the board or committee. Such consent will have the same effect as a unanimous vote.

SECTION 13. Waivers of Notice: Notice of a meeting need not be given to any Director who submits a signed waiver of notice, whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to him or her.

SECTION 14. Quorum: A majority of the number of directors fixed by these Bylaws shall constitute a quorum for the transaction of business. The act of a majority of the directors present at a meeting at which a quorum is present will be the act of the board of directors, unless the action by law, requires a majority or 2/3 vote of the entire board.

SECTION 15. Compensation: The Board of Directors shall receive no compensation for their service as Directors but may be reimbursed for the expenses reasonably incurred by them in the performance of their duties, annual training, on-going development and/or conducting research.

SECTION 16. Annual Report to Board: The Chairperson and the Treasurer shall prepare and present no less than 60 days and not more than 90 days after the end of its fiscal year, an annual report, as required by Section 519 of the New York Not-For-Profit Corporation Law, and Section 2800 of the Public Authorities Law. The annual report shall be submitted to the state Authorities Board Office, the Chairman of the Albany County Legislature, and filed with the minutes of the annual meeting of the board. The report shall be verified by the Chairperson and Treasurer and certified by a firm of independent accountants selected by the Board and shall show, in appropriate detail, the following:

- (a) Operations and accomplishments of the Land Bank;
- (b) Financial reports;
- (c) Mission statement and performance measurement report;
- (d) Receipts and disbursements during the fiscal year, and assets and liabilities Bond schedule to include refinancings, refundings, defeasements, and bond insurance costs;
- (e) A compensation schedule and biographical information for any employee or officer whose salary is in excess of \$100,000;
- (f) The projects undertaken by the Land Bank during the past year;
- (g) A listing and description (including price rec'd and name of purchaser), of all real property of the Land Bank having an estimated fair market value in excess of \$15,000 that the Land Bank acquires or disposes of during the reporting period;
- (h) The Land Bank's code of ethics;
- (i) Internal control assessment;
- (j) A copy of the legislation authorizing the Land Bank;
- (k) A description of the authority and its board structure;
- (l) Its Articles of Incorporation and By-laws;
- (m) A listing of material changes in operation and programs during the reporting year;
- (n) A 4-year financial plan, including a current and projected capital budget with an actual versus estimated budget;
- (o) Board performance evaluations
- (p) A description of the total amounts of assets, services or both assets and services bought or sold without competitive bidding, including:
 1. The nature of those assets and services,
 2. The names of the counterparties,

3. Description of assets and services bought or sold without competitive bidding, their nature, names of parties involved, contract price compared to fair market value, a detailed explanation justifying the purchase or sale without competitive bidding, certification by Chairman and Treasurer that terms of purchase or sale were reviewed and comply with procurement guidelines; and
- (q) A description of any material pending litigation.

SECTION 17. Annual Report to Albany County: Pursuant to the New York Not-for-Profit Corporation Law §1612 the Chairperson shall prepare and present the annual report to the County Legislature, in oral and written form.

SECTION 18. Annual Self-Evaluation: Pursuant to Section 2824-a of the Public Authorities Law, the Board must provide the state independent Authorities Budget Office with a mission statement and proposed measurements report that describes the purpose and goals of the authority, a description of the stakeholders, its reasonable expectations of the Land Bank, and a list of measurements by which performance of the Land Bank and achievement of its goals will be evaluated. The Land Bank must publish a self-evaluation annual based on the stated measurements.

SECTION 19. Participation in Meeting by Telephone: To the extent permitted by law, any one or more of the Board, or any Committee thereof, may participate in a meeting of such Board or Committee by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time so long as there is at least one location where a board member participates where attendance by the public is permissible. Participation by such means shall constitute presence in person at a meeting. Members shall make every effort to attend each meeting in person.

SECTION 20. Conflicts of Interest: No member of the Board, Advisory Board or Staff shall acquire any interest, direct or indirect, in real property of the Corporation, in any real property to be acquired by the Corporation, or in any real property to be acquired from the Corporation. No member of the Board, Community Advisory Committee or Staff shall have any interest, direct or indirect, in any contract or proposed contract for materials or services to be furnished or used by the Corporation.

SECTION 21. Interested Directors and Related Party Transactions: The Association may not enter into any related party transaction unless the transaction is determined to be fair and reasonable and in the corporation's best interest at the time of such determination. The Association shall adopt and maintain a policy for the approval or disapproval of Related Party Transactions and said policy shall be deemed to be incorporated herein.

SECTION 22. Annual Training: Pursuant to Section 2824 of the Public Authorities Law, within one year of appointment to the Board, each member must participate in state approved training regarding their legal, fiduciary, financial and ethical responsibilities as directors. Board members shall participate in continued training as may be required to remain informed of best practices, regulatory and statutory changes relating to the effective oversight of the management and financial activities of the Corporation.

ARTICLE III

OFFICERS

SECTION 1. Number: The officers of the Corporation shall consist of a Chairperson/President, Vice-Chairperson/Vice-President, Secretary, and Treasurer, and such other officers as the Board of Directors, may, in its discretion, elect. Any two or more offices may be held by the same person, except the offices of Chairperson/President and Treasurer.

SECTION 2. Duties

2.1 Chairperson/President of the Board: The Chairperson/President of the Board will preside at all annual and special meetings of the Board of Directors. The Chairperson/President shall serve a one-year term. The Chairperson/President is charged with the general responsibility of carrying out the policies of the Board between meetings of said Board. In general, he/she shall supervise the business and affairs of the Corporation, and in general shall perform all duties incident to the office of Chairperson/President and such other duties as may be prescribed by the Board of Directors from time to time.

The Chairperson/President shall sign, as authorized by the Board of Directors, any deeds, mortgages, bonds, contracts or other instruments which the Board of Directors has authorized to be executed, except in those instances where approval of others or the signature of others is expressly required by the By-Laws, or by any law of the State of New York.

2.2 Vice Chairperson/Vice-President: In the absence of the Chairperson/President or in the event of his/her inability, removal, or refusal to act, the Vice Chairperson/Vice-President shall perform the duties of the Chairperson/President, and when so acting, shall have all the powers of and be subject to all restrictions placed upon the Chairperson/President. The Vice Chairperson/Vice-President shall perform such duties as from time to time may be assigned to him/her by the Chairperson/President or by the Board of Directors.

2.3 Treasurer: The Treasurer or his/her Board-approved designee shall receive, hold and be responsible for all financial matters and funds of the Corporation and shall deposit said funds in the name of the Corporation in such banks or banking institutions as directed to by the Board of Directors and Land Bank staff. The Treasurer shall keep a true and accurate account of all receipts and disbursements and said books of account shall be open to inspection of any Director at the office of the Corporation upon request. The Treasurer shall also perform all other duties customarily incident to the office of the Treasurer and such other duties as from time to time may be assigned to the Board.

2.4 Secretary: The Secretary or his/her Board-approved designee shall keep an accurate record of all proceedings of the meetings of the Board of Directors. The Secretary shall also be responsible for proper safe keeping of the papers and correspondence of the Corporation and as custodian of the corporate records, shall insure that the Corporation remains in good standing under the laws of the State of New York, reporting on that subject to the Chairperson. Further, the Secretary shall with the Chairperson execute any formal documents requiring the presence of the corporate seal. The Secretary shall give notice to the Directors of their respective meetings,

and shall generally perform all duties usually appertaining to the office of Secretary. The Board of Directors may designate an assistant secretary.

SECTION 3. Election: All officers of the Corporation shall be elected at the annual meeting of the Board of Directors.

SECTION 4. Term of Office: All officers shall hold office until their successors have been duly appointed or until removed as hereinafter provided.

SECTION 5. Additional Officers: Additional officers may be selected for such period, have such authority and perform such duties, either in an administrative or subordinate capacity, as the Board of Directors may from time to time determine.

SECTION 6. Resignation: Any officer may resign at any time by giving written notice to the Chairperson or the Secretary. Any such resignation shall take effect upon receipt of said notice, or the effective date in said notice.

ARTICLE IV

Executive Director

SECTION 1. Executive Director. The Corporation may select and retain an Executive Director by resolution.

SECTION 2. Duties and Responsibilities of Executive Director The Executive Director shall report to the Chair of the Board of the Corporation, and at the monthly regular meetings of the Board of Directors. He or she shall have general supervision and management of the Corporation and all Corporation staff and employees shall report directly to the Executive Director. Except as may otherwise be authorized by a resolution adopted by the Board, the Executive Director shall:

- (a) Cosign all purchase orders and instruments and check over certain dollar thresholds as is established by the Corporation's procurement policy, or by resolution of the Board;
- (b) Prepare the annual budget of the Corporation with the consultation and cooperation of the Audit and Finance Committees and the Chairman of the Board, for submission to the Board for approval;
- (c) Lead the Corporation to carry out its Mission Statement and fulfill its public purposes;
- (d) Serve as the Corporation's "Compliance Officer" (as such term is defined in Section 2895 of New York's Public Authority Law) responsible for ensuring that the Corporation complies with all financial and other reporting requirements imposed by law, including those requirements in the General Municipal Law and Public Authorities Law of New York State; and
- (e) Perform all other duties customarily incident to the office of the Executive Director of a land bank corporation and local public authority of the State of New York and such other duties as from time to time may be assigned by the Board.

ARTICLE V
COMMITTEES

Section 1. Standing Committees The Standing Committees of the Corporation are: Executive Committee, Finance Committee, Audit Committee and Governance Committee.

- (a) Members of standing committees shall be appointed by the Chairperson/Board President for a one (1) year term or, in the case of appointments due to vacancy(ies), from the time of appointment, and ending at the close of the fiscal year;
- (b) Each committee must consist of at least 3 directors;
- (c) The Chair of the Finance Committee shall be the Treasurer;
- (d) The Chairs of all other standing committees shall be annually appointed by the Board Chairperson/President from the members of the committee for a term beginning at the time of the appointment and ending at the close of the fiscal year.

Section 2. Other Committees The Board Chairperson/President and/or the Board of Directors has the authority to establish such other committees as may be necessary from time to time. Each committee shall consist of at least 3 directors.

- (a) Members of Special Committees shall be appointed by the Board Chairperson/President, for a term beginning at the time of the appointment and ending at the close of the fiscal year, or sooner if the special committee work is completed;
- (b) The chairs of special committees shall be appointed from the committee membership for a term beginning at the time of the appointment and ending at the close of the fiscal year.

Section 3. Executive Committee

The board of directors may, by a majority vote of the entire board, designate an Executive Committee and may delegate to such committee the powers and authority of the board in the management of the business and affairs of the corporation, to the extent permitted, and, except as may otherwise be provided, by provisions of law.

The Executive Committee shall have, and may exercise, all the powers of the Board between meetings of the Board, except that it shall not have authority to:

- (a) Fill vacancies in the Board or in any Committee;
- (b) Amend or repeal these By-Laws, or adopt new By-Laws;
- (c) Amend or appeal any resolution of the Board unless, by its terms, such resolution is so amendable or repealable;

(d) Purchase or sell property.

By a majority vote of its members, the board may at any time revoke or modify any or all of the executive committee authority so delegated, increase or decrease but not below three (3) the number of the members of the Executive Committee, and fill vacancies on the Executive Committee from the members of the board. The Executive Committee shall keep regular minutes of its proceedings, cause them to be filed with the corporate records, and report the same to the board from time to time as the board may require.

Section 4. Finance Committee The Finance Committee shall provide financial oversight for the organization, including budgeting and financial planning, financial reporting, and the creation and monitoring of internal controls and accountability policies. In addition the committee shall also:

- (a) Review budgets initially prepared by the Treasurer and Finance Committee to help develop appropriate procedures for budget preparations (such as meaningful involvement by staff), and on a consistency between the budget and the organization's plans;
- (b) Report to the board any financial irregularities, concerns, opportunities;
- (c) Recommend financial guidelines to the board (such as to establish a reserve fund or to obtain a line of credit for a specified amount);
- (d) Work with staff to design financial reports and ensure that reports are accurate and timely;
- (e) Oversee short and long-term investments, unless there is a separate investments committee; and
- (f) Advise the executive director and other appropriate staff on financial priorities and information systems, depending on committee member expertise.

Section 5. Audit Committee The Audit Committee shall oversee the accounting and financial reporting processes of the corporation and the audit of the corporation's financial statements. The Committee shall annually retain an independent auditor to conduct the audit and upon the completion thereof, review the results of the Audit and any related management letter with the auditor. In addition the committee shall also:

- (a) Review with the auditor the scope and planning of the audit prior to the audit's commencement;
- (b) Upon completion of the audit, review and discuss with the independent auditor: (A) any material risks and weaknesses in internal controls identified by the auditor; (B) any restrictions on the scope of the auditor's activities or access to requested information;
- (c) any significant disagreements between auditor and management;
- (d) Review the adequacy of the corporation's accounting and financial reporting processes;
- (e) Annually consider the performance and independence of the auditor; and
- (f) Report on the audit committee's activities to the entire board.

The Audit Committee shall also oversee the adoption, implementation of, and compliance with, any conflict of interest and whistleblower policies adopted by the Board. Only independent directors may participate in any deliberations by this committee or voting relating to matters set forth herein.

Section 6. Governance Committee The governance committee is responsible for ongoing review and recommendations to enhance the quality and future viability of the board of directors. The work of the committee revolves around the following five major areas:

1. Board Role and Responsibilities

(a) Leads the board in regularly reviewing and updating the board's statement of its roles and areas of responsibility, and what is expected of individual board members;

(b) Assists the board in periodically updating and clarifying the primary areas of focus for the board, shapes the board's agenda for the next year or two, based on the strategic plan.

2. Board Composition

(a) Leads in assessing current and anticipated needs related to board composition, determining the knowledge, attributes, skills, abilities, influence, and access to resources the board will need to consider in order to accomplish future work of the board;

(b) Develops a profile of the board as it should evolve over time;

(c) Identifies potential board member candidates and explores their interest and availability for board service;

(d) Where appropriate, nominates individuals to be elected as members of the board;

(e) In cooperation with the board chair, contacts each board member to assess his or her continuing interest in board membership and term of service and works with each board member to identify the appropriate role he or she might assume on behalf of the organization.

3. Board Knowledge

(a) Designs and oversees a process of board orientation, including gathering information prior to election as board member and information needed during the early stage of board service;

(b) Designs and implements an ongoing program of board information and education.

4. Board Effectiveness

(a) Initiates periodic assessment of the board's performance. Proposes, as appropriate, changes in board structure and operations;

- (b) Provides ongoing counsel to the board chair and other board leaders on steps they might take to enhance board effectiveness;
- (c) Regularly reviews the board's practices regarding member participation, conflict of interest, etc., and suggests improvements as needed;
- (d) Periodically reviews and updates the board's policy guidelines and practices.

5. Board Leadership

- (a) Takes the lead in succession planning, taking steps to recruit and prepare future board members;
- (b) Nominates board members for election as board officers.

SECTION 7. Resident Community Advisory Committee: There shall be created, pursuant to Resolution 68 for 2014 a Resident Community Advisory Committee. Such committee, as well as the number of members thereof, shall be established by a resolution duly adopted by the Board of Directors. Members of said committee shall be residents within Albany County.

(a) The purpose of this committee shall be to advise the land bank staff and board on land bank activities in their respective communities throughout the county, as well as to keep residents of those areas apprised of land bank activities and provide them the opportunity to comment. The Committee will work with the board to develop a set of acquisition and disposition priorities and policies. The land bank may employ a not-for-profit corporation that serves the specific neighborhood to assist the Committees in this process.

(b) The Committee, and any sub committees established thereof within said committee will keep the board informed about developing conditions and opportunities related to vacant or delinquent property in their coverage areas. The Committees will develop ways to keep stakeholders in their areas informed of land bank activities and opportunities, will solicit input from stakeholders and convey it to the Board.

(c) At a minimum, the committee, and any sub-committees established thereof within said committee shall, in conjunction with land bank staff, hold a well-advertised annual public hearing to take input on their priorities and goals and to present a report on their recommendations throughout the year as compared to the final decisions made for the same properties. In addition, the committee may, by majority vote, call for a public meeting of the land bank Board for the same purpose.

(d) The Board will keep the Committees informed of potential acquisitions and development opportunities in their areas and will afford the Committees adequate time to review and make recommendations on all purchases or sales that don't fall within a predetermined set of routine transfers (e.g. side lot sales). All decisions shall be made collaboratively with the municipality's planning staff and the relevant Committee.

(e) Any Committee member may be removed with cause by the Board or the Executive Director.

Section 8. Ad-Hoc Committees The corporation shall have such other committees as may, from time to time, be designated by resolution of the board of directors. These committees must

consist of at least three board members and may consist of persons who are not also members of the board and shall act in an advisory capacity to the board.

Section 9. Meetings and Action of Committees Unless otherwise provided by the corporation's By-laws, meetings of committees shall be held at such time and place as shall be fixed by the respective committee Chair or by vote of a majority of all of the members of the committee. Written minutes of the proceedings of all meetings of each committee shall be kept by a member appointed by the committee Chair and shall be reported at the next regular meeting of the Board.

Section 10. Action by a Committee without a Meeting Whenever under the Not-For-Profit Corporation Law a committee is required or permitted to take any action by vote, such action may be taken without a meeting if all members of the board or the committee consent to the adoption of a resolution authorizing the action. Such consent may be written or electronic. If written, the consent must be executed by the director by signing such consent or causing his or her signature to be affixed to such consent by any reasonable means including, but not limited to, facsimile signature. If electronic, the transmission of the consent must be sent by electronic mail and set forth, or be submitted with, information from which it can reasonably be determined that the transmission was authorized by the director. The resolution and the written consents thereto by the members of the board or committee shall be filed with the minutes of the proceedings of the board or committee. Such consent will have the same effect as a unanimous vote.

Section 11. Quorum and Manner of Acting Unless otherwise provided by resolution of the board or these By-Laws, a committee must have no less than three members who are board members present for a vote. A majority of all members of a committee shall constitute a quorum for the transaction of business, and the vote of a majority of all of the committee members in attendance shall be the act of the committee.

ARTICLE VI

CONTRACTS, CHECKS, DRAFTS AND BANK ACCOUNTS

SECTION 1. Execution of Contracts: The Board of Directors, except as otherwise provided in these By-Laws and Article 16 of the Not-for-Profit Law, may authorize any officer or officers, agent or agents in the name of and on behalf of the Corporation, to enter into any contract or execute and deliver any instrument and such authority may be general or confined to specific instances but, unless so authorized by the Board of Directors or expressly authorized by these By-Laws, no officer, agent or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable pecuniarily in any amount for any purpose.

SECTION 2. Loans: No loans shall be contracted on behalf of the Corporation unless specifically authorized by the Board of Directors.

SECTION 3. Checks, Drafts, etc.: All checks, drafts and other orders for the payment of money out of the funds of the Corporation, shall be signed by the Executive Director, Chair or Treasurer on behalf of the Corporation in such manner, from time to time, be determined by these By-Laws, by the Corporation's procurement policy, or by resolution of the Board.

SECTION 4. Deposits: All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories or in such other investments as the Board of Directors may select.

ARTICLE VII

INDEMNIFICATION & INSURANCE

SECTION 1. Authorized Indemnification: Unless clearly prohibited by law or Section 2 of this Article, the Corporation shall indemnify any person ("Indemnified Person") made, or threatened to be made, a party in any action or proceeding, whether civil, or criminal, administrative, investigative, or otherwise, including any action by or in the right of the Corporation, by reason of the fact that he or she (or his or her executor or administrator) whether before or after adoption of this Section, (a) is or was a Member or officer of the Corporation, or (b) in addition is serving or served in any capacity at the request of the Corporation, as a Member or officer of any other corporation, or any partnership, joint venture, trust, employee benefit plan or other enterprise. The indemnification shall be against all judgments, fines, penalties, amounts paid in settlement (provided the Corporation shall have consented to such settlement) and reasonable expenses, including attorney's fees and costs of investigation, incurred by any Indemnified Person with respect to any such threatened or actual action or proceeding, and any appeal thereof.

SECTION 2. Prohibited Indemnification: The Corporation shall not indemnify any person if a judgment or other final adjudication adverse to the Indemnified Person (or to the person whose actions are the basis for the action or proceeding) establishes, or the Board in good faith determines, that such person's acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated or that he or she personally gained, in fact, a financial profit or other advantage to which he or she was not legally entitled.

SECTION 3. Advancement of Expenses: The Corporation shall, on request of any Indemnified Person who is or may be entitled to be indemnified by the Corporation, pay or promptly reimburse the Indemnified Person's reasonably incurred expenses in connection with a threatened or actual action or proceeding prior to its final disposition. However, no such advancement of expenses shall be made unless the Indemnified Person makes a binding, written

commitment to repay the Corporation, with interest, for any amount advanced for which it is ultimately determined that he or she is not entitled to be indemnified under the law or Section 2 of this Article. An Indemnified Person shall cooperate in good faith with any request by the Corporation that common legal counsel be used by the parties to such action or proceeding who are similarly situated unless it would be inappropriate to do so because of actual or potential conflicts between the interests of the parties.

SECTION 4. Indemnification of Others: Unless clearly prohibited by law or Section 2 of this Article, the Board may approve Corporation indemnification as set forth in Section 1 of this Article or advancement of expenses as set forth in Section 3 of this Article, to a person (or the testator or intestate of a person) who is or was employed by the Corporation or who is or was a Volunteer for the Corporation, and who is made, or threatened to be made, a party in any action or proceeding, by reason of the fact of such employment or volunteer activity, including actions undertaken in connection with service at the request of the Corporation in any capacity for any other corporation, partnership, joint, joint venture, trust, employee benefit plan or other enterprise.

SECTION 5. Determination of Indemnification: Indemnification mandated by a final order of a Court of competent jurisdiction will be paid. After termination or disposition of any actual or threatened action or proceeding against an Indemnified Person, if the indemnification has not been ordered by a court the Board shall, upon written request by the Indemnified Person, determine whether and to what extent indemnification is permitted pursuant to these By-Laws. Before indemnification can occur the Board must explicitly find that such indemnification will not violate the provisions of Section 2 of this Article. No member with a personal interest in the outcome, or who is a party to such actual or threatened action or proceeding concerning which indemnification is sought, shall participate in this determination. If a quorum of disinterested Members is not obtainable, the Board shall act only after receiving the opinion in writing of independent legal counsel that indemnification is proper in the circumstances under than applicable law and these By-Laws.

SECTION 6. Binding Effect: Any person entitled to indemnification under these By-Laws has a legally enforceable right to indemnification, which cannot be abridged by amendment of these By-Laws with respect to any event, action, or omission occurring prior to the date of such amendment.

SECTION 7. Insurance: The Corporation is not required to purchase Directors' and Officers' liability insurance, but the Corporation may purchase such insurance if authorized and approved by the Board. To the extent permitted by law, such insurance may insure the Corporation for any obligation it incurs as a result of this Article or operation of law and it may insure directly the Members, Officers, Employees, or Volunteers of the Corporation for liabilities against which they are not entitled to indemnification under this Article as well as for liabilities against which they are entitled or permitted to be indemnified by the Corporation.

SECTION 8. Nonexclusive Rights: The provisions of this Article shall not limit or exclude any other rights to which any person may be entitled under law or contract. The Board is authorized to enter into agreements on behalf of the Corporation with any Member, Officer, Employee, or

Volunteer providing them rights to indemnification or advancement of expenses in connection with potential indemnification in addition to the provisions therefore in this Article, subject in all cases to the limitations of Section 2 of this Article.

ARTICLE VIII

GENERAL

SECTION 1. Loans to Directors and Officers: No loans, other than through the purchase of bonds, debentures or similar obligations of the type customarily sold in public offerings, shall be made by the Corporation to its Directors or officers, or to any other corporation, firm, association or other entity in which one or more of its Directors or officers are Directors or officers or hold a substantial financial interest.

SECTION 2. Books and Records: These shall be kept at the office of the Corporation: (1) correct and complete books and records of accounts; (2) minutes of the proceedings of the Board and the standing and special Committees of the Corporation; (3) a current list of the Members and the Officers of the Corporation and their residence addresses; (4) a copy of these By-Laws; (5) a copy of the Corporation's application for recognition of exemption with the Internal Revenue Service (if applicable); (6) copies of the past three years information returns to the Internal Revenue Service (if applicable). Any other books and records required by law to be kept by the Corporation.

ARTICLE IX

FISCAL YEAR

The fiscal year of the Corporation shall commence on July 1st in each calendar year and end on the last day of June.

ARTICLE X

NON DISCRIMINATION, AFFIRMATIVE ACTION, LOBBYING

SECTION 1. Non-Discrimination & Affirmative Action Policy The Corporation shall not discriminate upon the basis of race, creed, color, sex, or national origin in the sale, lease, or rental or in the use or occupancy of the property or improvements erected or to be erected thereon or any part thereof. The Board shall adopt, by resolution a formal non-discrimination and affirmative action policy.

SECTION 2. Lobbying Policy The Board shall make a record of any lobbyist contract and adopt policies for implementing this requirement.

ARTICLE XI

EMERGENCY POWERS AND EMERGENCY BY-LAWS

The board of directors may adopt By-laws to be effective only in an emergency. An emergency exists if a quorum of the Land Bank's directors cannot readily be assembled because of some catastrophic event. The emergency By-laws may make all provisions necessary for managing the Association during an emergency, including procedures for calling a meeting of the board of directors, quorum requirements for the meeting, and designation of additional or substitute director(s). The board of directors, either before or during any such emergency may provide, and from time to time modify lines of succession if during such emergency any or all officers or agents of the Land Bank are for any reason rendered incapable of discharging their duties. All provisions of the regular By-laws consistent with the emergency By-laws remain effective during the emergency. The emergency By-laws are not effective after the emergency ends. Actions taken by the Land Bank in good faith in accordance with the emergency By-laws have the effect of binding the Land Bank and may not be used to impose liability on a corporate director, officer, employee, or agent. In anticipation of or during any emergency, the board of directors may modify lines of succession to accommodate the incapacity of any director, officer, employee or agent; relocate the principal office or designate alternative principal offices of regional offices or authorize the officers to do so. Unless emergency By-laws otherwise provide, it is hereby provided that:

- (a) Notice of a meeting of the board of directors need be given only to those directors who it is practicable to reach and may be given in any practicable manner;
- (b) One or more officers of the corporation present at a meeting of the board of directors may be deemed to be directors of the meeting in order of rank and within the same rank in order of seniority as necessary to achieve a quorum; and
- (c) The director or directors in attendance at a meeting or any greater number affixed by the emergency By-laws constitute a quorum.

Corporate action taken in good faith during an emergency described herein to further the ordinary affairs of the corporation bind the corporation and may not be used to impose liability on a corporate director, office employee or agent. An officer, director or employee acting in accordance with any emergency By-laws is only liable for willful misconduct.

ARTICLE XII

DISTRIBUTION AND COMPENSATION

Section 1. Dividends No dividend may be paid, nor may any part of the income or profit of the Association be distributed, to its members, directors, or officers.

Section 2. Compensation The Association may pay compensation in a reasonable amount to its staff, directors or officers for services rendered, and upon dissolution or final liquidation, may make distributions as permitted under New York Law. Any such payment, benefit, or distribution does not constitute a dividend or distribution of income or profit.

ARTICLE XIII

TRANSACTION OF BUSINESS

Section 1. The Corporation shall make no purchase of real property, nor sell, mortgage, lease away or otherwise dispose of its real property, unless authorized by a vote of two-thirds of the Board of Directors. Unless otherwise restricted by these By-laws, no vote or consent of the members shall be required to make effective such action by the Board.

Section 2. Whenever the lawful activities of the corporation involve, among other things, the charging of fees or prices for its services or products, it shall have the right to receive such income and, in so doing, may make incidental revenue. All such incidental revenues shall be applied to the maintenance and operation of the lawful activities of the corporation, and in no case shall be divided or distributed in any manner whatsoever among the directors or officers of the corporation.

ARTICLE XIV

PROHIBITION AGAINST SHARING IN CORPORATE EARNINGS

Section 1. The Corporation is formed exclusively for purposes for which a corporation may be formed under Section 501(c) of the Internal Revenue Code (or the corresponding section of any future federal tax code) and not for pecuniary or financial gain.

Section 2. No part of the assets, income or profit of the Corporation shall be distributable to, or inure to the benefit of, its members, directors or officers, except to the extent, if any, under the Non-Profit Corporation Law and Section 50 of the Internal Revenue Code.

Section 3. Upon the dissolution of the Corporation, no member, director or officer shall be entitled to any distribution of its remaining assets, rather its assets shall be distributed to such

organizations as are exempt under the provisions of Section 501(c) of the Internal Revenue Code (or corresponding section of any future federal tax code), as may have an exempt purpose similar to the purposes for which this corporation is organized.

Section 4. No part of the activities of the Corporation shall be carrying on propaganda, or otherwise attempting to influence legislation, or participating in, or intervening in, (including the publication or distribution of statements) any political campaign on behalf of any candidate for public office.

ARTICLE XV

AMENDMENTS

As provided in the Certificate of Incorporation, the By-Laws of the Corporation may be adopted, amended or repealed at any regular meeting of the Board of Directors upon affirmative vote of 2/3 of the entire Board and only after advance notice of at least ten (10) days has been given to all Board members and to the Chair of the Albany County Legislature.

Adopted this _____ day of _____, 2015

ATTEST:

/s/

Ralph Pascale, Secretary

Corporate Ethics



ALBANY COUNTY

LAND BANK CORPORATION

CODE OF ETHICS AND CONFLICT OF INTEREST POLICY

This Code of Ethics and Conflict of Interest Policy shall apply to all directors of the Board and employees of the Albany County Land Bank Corporation (“Land Bank”). These policies shall serve as a guide for official conduct and are intended to enhance the ethical and professional performance of the directors and employees and to preserve public confidence in the Land Bank’s mission. This code is adopted pursuant to New York Public Authorities Law section 2824(1)(d) and section 73 and 74 of the New York Public Officers Law.

DEFINITIONS

As used in this policy:

“**Director**” shall mean a member of the Board of Directors of the Albany County Land Bank Corporation who in this capacity is also deemed to be a state director of a local public authority under section 1605(l) of the Not-for-Profit Law (“the Land Bank Act”) and as such is subject to the ethical responsibilities of section 73 and 74 of the Public Officers Law and also New York Public Authorities Law section 2824(1)(d).

“**Employee**” shall mean a non-volunteer employee of the Albany County Land Bank Corporation who in this capacity is also deemed to be a state employee of a local public authority under section 1605(l) of the Not-for-Profit Law (“the Land Bank Act”) and as such is subject to the ethical responsibilities of section 73 and 74 of the Public Officers Law and also New York Public Authorities Law section 2824(1)(d).

CONFLICT OF INTEREST POLICY

No director or employee of the Land Bank should have any interest, financial or otherwise, direct or indirect, or engage in any business or transaction or professional activity or incur any obligation of any nature, which is in substantial conflict with the proper discharge of his or her duties in the public interest.

STANDARDS

1. Directors and employees shall perform their duties with transparency, without favor and refrain from engaging in outside matters of financial or personal interest, including other employment, that could impair independence of judgment, or prevent the proper exercise of one’s official duties.

2. Directors and employees shall not directly or indirectly, make, advise, or assist any person to make any financial investment based upon information available through the directors' or employees' official position that could create any conflict between their public duties and interests and their private interests.
3. Directors and employees shall not accept or receive any gift or gratuities where the circumstances would permit the inference that: (a) the gift is intended to influence the individual in the performance of official business or (b) the gift constitutes a tip, reward, or sign of appreciation for any official act by the individual. This prohibition extends to any form of financial payments, services, loans, travel reimbursement, entertainment, hospitality, thing or promise from any entity doing business with or before the Land Bank.
4. Directors and employees shall not use or attempt to use their official position with the Land Bank to secure unwarranted privileges for themselves, members of their family or others, including employment with the Land Bank or contracts for materials or services with the Land Bank.
5. Directors and employees must conduct themselves at all times in a manner that avoids any appearance that they can be improperly or unduly influenced that they could be affected by the position of or relationship with any other party, or that they are acting in violation of their public trust.
6. Directors and employees may not engage in any official transaction with an outside entity in which they have a direct or indirect financial interest that may reasonably conflict with the proper discharge of their official duties.
7. Directors and employees shall manage all matters within the scope of the Land Bank's mission independent of any other affiliations or employment. Directors and employees employed by more than entity shall strive to fulfill their professional responsibility to the Land Bank without bias and shall support the Land Bank's mission to the fullest.
8. Directors and employees shall not use Land Bank property, including equipment, telephones, vehicles, computers, or other resources, or disclose information acquired in the course of their official duties in a manner inconsistent with State or local law or policy and the Land Bank's mission and goals.
9. Directors and employees are prohibited from appearing or practicing before the Land Bank for two (2) years following employment with the Land Bank, consistent with the provisions of Public Officers Law.

IMPLEMENTATION

This Code of Ethics and Conflict of Interest Policy shall be provided to all directors and employees upon commencement of employment or appointment and shall be reviewed annually by the Governance Committee.

The board may designate an Ethics Officer who shall report to the board and shall have the following duties:

- Counsel in confidence with the Land Bank directors and employees who seek advice about ethical behavior.
- Receive and investigate complaints about possible ethics violations.
- Dismiss complaints found to be without substance.
- Prepare an investigative report of their findings for action by the Executive Director or the board.
- Record the receipt of gifts or gratuities of any kind received by a director or employee who shall notify the Ethics Officer within 48 hours of receipt of such gifts and gratuities.

PENALTIES

In addition to any penalty contained in any other provision of the law, directors or employees who knowingly and intentionally violate any of the provisions of this code may be removed in the manner provided for in law, rules or regulations, and the Land Bank Bylaws.

REPORTING UNETHICAL BEHAVIOR

Directors and employees are required to report possible unethical behavior by a director or employee of Land Bank to the Ethics Officer, if one has been appointed, or to the Chairman of the Board, or the Vice Chairman of the Board. Directors and employees may file ethics complaints anonymously and are protected from retaliation by the policies adopted by the Land Bank.

Not-For-Profit Corporation Law
Chapter 35. Of the Consolidated Laws
Article 16. Land Banks

§ 1600. Short title

This article shall be known and may be cited as the "land bank act".

§ 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 type C 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 eleven 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 type C not-for-profit 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 ten 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 type C 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; and

(21) 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.

(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 all real property acquired by the land bank irrespective of the identity of the transferor of such property.

(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.

(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 type C 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 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 judicially ordered sale pursuant to the provisions of section eleven hundred thirty-six 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 sale 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.

§ 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.

Albany County Resolution 68 of 2014

RESOLUTION NO. 68

ESTABLISHING THE ALBANY COUNTY PROPERTY DEVELOPMENT CORPORATION, A NEW YORK STATE LAND BANK

Introduced: 2/10/14

By Messrs. Comisso, Higgins, Beston, Bullock, Ms. Chapman, Messrs. Clay, Clenahan, Ms. Connolly, Messrs. Corcoran, Cotrofeld, Dawson, Domalewicz, Ethier, Feeney, Jacobson, Joyce, Mackey, Ms. Maffia-Tobler, Mr. Mayo, Mss. McKnight, McLean Lane, Messrs. Morse, Nichols, O'Brien, Rahm, Reilly, Simpson and Ward:

WHEREAS, New York State has enacted the "Land Bank Act" which authorizes municipalities to establish individual or cooperative land banks, and

WHEREAS, It has been determined that vacant and abandoned properties are costly and present a danger to the health and safety of local residents and further, they reduce surrounding property values, spread blight and create havens for crime resulting in costs and loss of revenues to local government and discourage further investment, and

WHEREAS, The purpose of this legislation is to establish a land bank in Albany County by creating a not-for-profit corporation whereby funds can be directed to positive purposes that have the effect of decreasing the numbers of tax-delinquent properties, revitalizing communities and increasing the tax rolls to the benefit of all its citizens and to provide pro-active tools to mitigate costs, spur investment and improve property values, and

WHEREAS, It is the intent of this Honorable Body that the directors of the corporation established herein move forward in a community centric, collaborative manner utilizing charrette style information gathering techniques as it acquires input from residents and subject matter experts, and

WHEREAS, Plans for redevelopment generated by this approach needs to include diverse, affordable housing options available to a broad mix of income levels, sufficient commercial opportunities, ample green space and recreational options, as well as, public safety, transportation, parking and infrastructure considerations, now, therefore be it

RESOLVED, There is hereby created a land bank on behalf of the County of Albany, to be known as the "Albany County Land Bank Development Corporation" a New York State Land Bank, and, be it further

RESOLVED, The directors of the corporation are requested to work with and recommend capital generating and revenue sharing programs designed to provide the assets necessary for a successful start-up, demolition and remediation, and the continuing operations of the corporation and to recommend policies that will facilitate the removal of obstacles to redevelopment, and, be it further

RESOLVED, That the by-laws of the Albany County Land Bank Development Corporation shall require the Board of Directors to create a Resident Advisory Committee composed of representatives of the geographic areas in which the land bank works, the purpose of the advisory committee is to provide input to the Board and to be advised and informed regarding the actions of the Board and to act as ambassadors in the communities in which they live regarding the purpose and objectives of the land bank, and, be it further

RESOLVED, That the Board of Directors shall consist of seven (7) members to be appointed by the Albany County Legislature and said members shall represent areas of interest or expertise including, but not limited to: the building industry; architectural/planning and/or design industry; financial services; law enforcement; property management; municipal affairs; buildings and codes; real estate; building demolition industry; and historical renovation services, and, be it further

RESOLVED, That the following are hereby appointed as Board of Directors to the Albany County Property Development Corporation: Michael Jacobson (Chair), Police Chief Steven Krokoff, Duncan Barrett, Charles Touhey, Pamela Harper, Michael Keegan and Philip Calderone, and, be it further

RESOLVED, That all members of the board shall be residents or have their primary place of business in the County of Albany and said directors shall serve at the pleasure of the Legislature, and, be it further

RESOLVED, That the County Attorney is requested to assist with the development of the applicable and necessary documents to accomplish the goal of this resolution, and, be it further

RESOLVED, That the County Executive is authorized to execute any and all documentation necessary for filing and incorporation with the State of New York to form the Albany County Property Development Corporation, a New York State Land Bank, in substantially the form on file with the Clerk of this Legislature, and to execute and file such other documents to establish said New York State Land Bank with any other management, operating, administrative contracts or agreements subject to separate approval of the Legislature, and, be it further

RESOLVED, That the Clerk of the Legislature is directed to file this resolution and all applicable and necessary documents pursuant to the provisions of the Land Bank Act, Chapter 257 of the Laws of 2011.

Ms. Kinsch proposed the following amendment:

1) *Replace the third Resolved Clause of Resolution #68 with the following:*

RESOLVED: Each participating municipality shall have its own Property Acquisition and Disposition Committee or Committees (hereafter Committees) for each of its designated neighborhood revitalization areas. The purpose of these committees shall be to advise the land bank staff and board on land bank activities in their respective areas, as well as to keep residents of those areas

apprised of land bank activities and provide them the opportunity to comment. The Committees will work with the board to develop a set of acquisition and disposition priorities and policies. The land bank may employ a not-for-profit corporation that serves the specific neighborhood to assist the Committees in this process.

The Committees will keep the board informed about developing conditions and opportunities related to vacant or delinquent property in their coverage areas. The Committees will develop ways to keep stakeholders in their areas apprised of land bank activities and opportunities, will solicit input from stakeholders and convey it to the Board. At a minimum, each committee shall, in conjunction with land bank staff, hold a well-advertised annual public hearing to take input on their priorities and goals and to present a report on their recommendations throughout the year as compared to the final decisions made for the same properties. In addition, the committee may, by majority vote, call for a public meeting of the land bank board for the same purpose.

The Board will keep the Committees informed of potential acquisitions and development opportunities in their areas and will afford the Committees adequate time to review and make recommendations on all purchases or sales that don't fall within a predetermined set of routine transfers (e.g. side lot sales). All decisions shall be made collaboratively with the municipality's planning staff and the relevant Committee.

2) *Edit the 4th Whereas Clause as follows:*

WHEREAS, It is the intent of this Honorable Body that the directors of the corporation established herein move forward in a community centric, collaborative manner. ~~utilizing charrette style information gathering techniques as it acquires input from residents and subject matter experts, and~~

3) *Add the following Whereas Clause to Resolution #68*

WHEREAS, the citizens who live in neighborhoods impacted by vacant buildings will be afforded the opportunity to learn construction and building rehabilitation skills and that every effort will be made to provide employment on projects occurring in their neighborhoods.

On roll call vote on the amendment the following voted as follows: Mr. Bullock, Ms. Chapman, Messrs. Clenahan, Crouse, Dawson, Ethier, Joyce, Mss. Kinsch, Maffia-Tobler, Messrs. Mendick, O'Brien and Simpson – 12.

Those opposed: Mss. Benedict, Busch, Messrs. Carman, Clay, Clouse, Commisso, Ms. Connolly, Messrs. Corcoran, Cotrofeld, Domalewicz, Feeney, Higgins, Hogan, Jacobson, Ms. Lockart, Messrs. Mackey, Mayo, Mss. McKnight, McLean Lane, Messrs. Morse, Nichols, Rahm, Stevens, Tunny and Ward – 25.

Amendment was defeated.

Resolution was adopted by voice vote. 2/10/14

Audited Financial Report

Albany County Land Bank Corporation
(A Component Unit of the
County of Albany, New York)

Financial Statements as of
June 30, 2016 and 2015
Together with
Independent Auditor's Reports

Bonadio & Co., LLP
Certified Public Accountants

CONTENTS

	<u>Page</u>
INDEPENDENT AUDITOR'S REPORT.....	1-2
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED).....	3-5
FINANCIAL STATEMENTS	
Statements of net position.....	6
Statements of revenue, expenses, and change in net position.....	7
Statements of cash flows.....	8
Notes to financial statements.....	9-12
OTHER REQUIRED REPORTING	
Independent auditor's report on internal control over financial reporting and on compliance and other matters based on audit of financial statements performed in accordance with <i>Government Auditing Standards</i>	13-14

INDEPENDENT AUDITOR'S REPORT

September 22, 2016

To the Board of Directors of
Albany County Land Bank Corporation:

Report on the Financial Statements

We have audited the accompanying financial statements of Albany County Land Bank Corporation (Corporation) (a component unit of the County of Albany, New York), as of and for the year ended June 30, 2016 and 2015, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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(Continued)

INDEPENDENT AUDITOR'S REPORT

(Continued)

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Albany County Land Bank Corporation, as of June 30, 2016 and 2015, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis listed in the accompanying table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 22, 2016 on our consideration of the Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control over financial reporting and compliance.

ALBANY COUNTY LAND BANK CORPORATION **(A Component Unit of the County of Albany, New York)**

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) **FOR THE YEAR ENDED JUNE 30, 2016 AND 2015**

The following is a discussion and analysis of the Corporation's financial performance for the fiscal year ended June 30, 2016. The section is a summary of the Corporation's financial activities based on currently known facts, decisions, or conditions. Because this is the first year of operations for the Corporation, only the results on the current year are discussed below. This section is only an introduction and should be read in conjunction with the Corporation's financial statements, which immediately follow this section.

Financial Highlights

- The Corporation's net position increased \$2,241,701 this year. Much of this increase is attributable to an increase in the Land Bank's property portfolio through additional property acquisitions and drawdowns of available grant funds.
- The Corporation disposed of 20 properties in fiscal year 2016, a substantial increase from no properties in fiscal year 2015.
- Revenue from property sales in fiscal year 2016 was \$293,300, an increase of 100% from no property sales in fiscal year 2015.
- Revenue from property sales comprised nearly all operating revenue in fiscal year 2016.
- The Corporation filled a vacant staff position in fiscal year 2016 increasing salary and benefit expenses.
- The increase of property sales, addition of new properties and commensurate increase in number of property improvements and ongoing maintenance resulted in an increase in operating expenses, including professional fees, insurance and other related expenses.
- Property held for sale was valued at \$3,110,429 in 2016. It should be noted that this is recorded as the assessed value of the property.
- The Corporation had \$811,523 in cash at the end of fiscal year 2016, an increase from \$703,123 at the beginning of the year. The majority of this cash is from grant funds received by the Corporation.
- The Corporation had a net cash flow of (\$262,383) in fiscal year 2016, a slight but favorably disproportionate increase from (\$255,914) in fiscal year 2015, considering the amount of properties disposed of to return to productive use.
- The Corporation is in a stronger financial position than its first year of operation, but still relies heavily on grant funds to operate.

Overview of Financial Statements

The basic financial statements include the statement of net position, statement of revenues, expenses and change in net position, statement of cash flows, and notes to the financial statements.

The first of these statements is the Statement of Net Position. This is the statement of financial position presenting information that includes all of the Corporation's assets and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Corporation as a whole is improving or deteriorating. Evaluation of the overall economic health of the Corporation must include other non-financial factors such as the economic picture of the City, County and the State, in addition to the financial information provided in this report.

The second statement is the Statement of Revenues, Expenses and Changes in Net Position, which reports how the Corporation's net position changed during the current and previous fiscal year. Revenues and expenses are included when earned or incurred, regardless of when cash is received or paid.

Overview of the Financial Statements (Continued)

The third statement is the Statement of Cash Flows, which shows the sources and uses of cash.

The accompanying Notes to the Financial Statements provide information essential to a full understanding of the financial statements.

Below is a summary of the Statements of Net Position and the Statements of Revenues, Expenses and Changes in Net Position for the years ended June 30, 2016 and 2015:

Summary of Net Position

	<u>2016</u>	<u>2015</u>	<u>\$ Change</u>	<u>% Change</u>
Current assets	\$ 839,165	\$ 739,151	\$ 100,014	14%
Non-current assets	<u>3,142,198</u>	<u>1,337,702</u>	<u>1,804,496</u>	<u>135%</u>
Total assets	<u>3,981,363</u>	<u>2,076,853</u>	<u>1,904,510</u>	<u>92%</u>
Current liabilities	130,929	498,157	(367,228)	-74%
Non-current liabilities	<u>30,037</u>	<u>-</u>	<u>30,037</u>	<u>100%</u>
Total liabilities	<u>160,966</u>	<u>498,157</u>	<u>(337,191)</u>	<u>-68%</u>
Net position:				
Net investment in capital assets	1,732	4,804	(3,072)	-64%
Unrestricted	<u>3,818,665</u>	<u>1,573,892</u>	<u>2,244,773</u>	<u>143%</u>
	<u>\$ 3,820,397</u>	<u>\$ 1,578,696</u>	<u>\$ 2,241,701</u>	<u>142%</u>

In the second year of the Corporation's existence and its first full year of full operations, the Corporation increased in net position by \$2.2 million. This was accomplished primarily through increasing its inventory of property held for sale through new donations from the County as well as capital improvements made to those properties through grant funds.

Summary of Changes in Net Position

	<u>2016</u>	<u>2015</u>	<u>\$ Change</u>	<u>% Change</u>
Operating Revenue:				
Sale of property	\$ 293,300	\$ -	\$ 293,300	100%
Other income	<u>3,396</u>	<u>400</u>	<u>2,996</u>	<u>749%</u>
Total operating revenues	296,696	400	296,296	74074%
Operating Expenses	<u>1,203,703</u>	<u>304,638</u>	<u>899,065</u>	<u>295%</u>
Operating loss	<u>(907,007)</u>	<u>(304,238)</u>	<u>(602,769)</u>	<u>198%</u>
Non-operating revenues:				
Grants	747,577	560,684	186,893	33%
Other	<u>43,024</u>	<u>600</u>	<u>42,424</u>	<u>7071%</u>
Total non-operating revenues	<u>790,601</u>	<u>561,284</u>	<u>229,317</u>	<u>41%</u>
Other Additions:				
Donated property	1,697,400	1,212,100	485,300	40%
Grants	<u>660,707</u>	<u>109,550</u>	<u>551,157</u>	<u>503%</u>
Total other additions	<u>2,358,107</u>	<u>1,321,650</u>	<u>1,036,457</u>	<u>78%</u>
Change in net position	2,241,701	1,578,696	663,005	42%
Net position - beginning of year	<u>1,578,696</u>	<u>-</u>	<u>1,578,696</u>	<u>100%</u>
Net position - end of year	<u>\$ 3,820,397</u>	<u>\$ 1,578,696</u>	<u>\$ 2,241,701</u>	<u>142%</u>

Overview of the Financial Statements (Continued)

The Corporation in its second year of operations saw an increase in operating revenues and expenses. Operating revenues increase 100% due to selling its first 20 properties in fiscal year 2016.

This increase in activity also impacted operating expenses, increasing them by approximately \$900,000. Grant and donated property revenues also saw increase due to 2016 being the first year of full operations.

Economic Factors

- The Corporation will continue to look for funding opportunities to further its mission of promoting local development. Each year, the Corporation will evaluate opportunities for investment of its resources in furthering this mission.

CONTACTING ADMINISTRATION

This financial report is designed to provide citizens, taxpayers, customers, investors and creditors with a general overview of the Corporation's finances and to show the accountability for the money received. If you have questions about this report or need additional financial information, contact the Albany County Land Bank Corporation's Executive Director at 255 Orange Street, Suite 104, Albany, New York 12210.

ALBANY COUNTY LAND BANK CORPORATION
(A Component Unit of the County of Albany, New York)

STATEMENT OF NET POSITION
JUNE 30, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
ASSETS		
Cash	\$ 811,523	\$ 703,123
Accounts receivable	800	-
Prepaid expenses	<u>26,842</u>	<u>36,028</u>
Total current assets	<u>839,165</u>	<u>739,151</u>
Property held for sale	3,110,429	1,332,898
Other	30,037	-
Capital assets, net	<u>1,732</u>	<u>4,804</u>
Total assets	<u>3,981,363</u>	<u>2,076,853</u>
LIABILITIES		
Accounts payable and accrued liabilities	104,447	83,391
Unearned grant revenue - State of New York	<u>26,482</u>	<u>414,766</u>
Total current liabilities	<u>130,929</u>	<u>498,157</u>
Other long-term liabilities	<u>30,037</u>	<u>-</u>
Total liabilities	<u>160,966</u>	<u>498,157</u>
NET POSITION		
Net investment in capital assets	1,732	4,804
Unrestricted - property held for resale	3,110,429	1,332,898
Unrestricted - available for operations	<u>708,236</u>	<u>240,994</u>
	<u>\$ 3,820,397</u>	<u>\$ 1,578,696</u>

The accompanying notes are an integral part of these statements.

ALBANY COUNTY LAND BANK CORPORATION
(A Component Unit of the County of Albany, New York)

STATEMENTS OF REVENUE, EXPENSES, AND CHANGE IN NET POSITION
FOR THE PERIODS ENDED JUNE 30, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
OPERATING REVENUE:		
Sale of property	\$ 293,300	\$ -
Fees	3,396	400
	<u>296,696</u>	<u>400</u>
Total operating revenue		
	<u>296,696</u>	<u>400</u>
OPERATING EXPENSES:		
Cost of sales	570,526	-
Salaries and benefits	199,309	105,828
Property maintenance	193,123	136,038
Professional fees	94,409	31,416
Insurance	87,899	16,484
Office and administrative	37,662	11,380
Property sale related	18,521	2,075
Travel	1,740	456
Depreciation	514	961
	<u>1,203,703</u>	<u>304,638</u>
Total operating expenses		
	<u>1,203,703</u>	<u>304,638</u>
Operating loss	<u>(907,007)</u>	<u>(304,238)</u>
NON-OPERATING REVENUES:		
Grant revenue - County of Albany	500,000	500,000
Grant revenue - State of New York	247,577	60,684
Other	40,784	-
Rental	2,200	600
Interest	40	-
	<u>790,601</u>	<u>561,284</u>
Total non-operating revenues		
	<u>790,601</u>	<u>561,284</u>
OTHER ADDITIONS:		
Donation of property for sale	1,697,400	1,212,100
Grant revenue - State of New York	660,707	109,550
	<u>2,358,107</u>	<u>1,321,650</u>
Total other additions		
	<u>2,358,107</u>	<u>1,321,650</u>
CHANGE IN NET POSITION	<u>2,241,701</u>	<u>1,578,696</u>
NET POSITION - beginning of period	<u>1,578,696</u>	<u>-</u>
NET POSITION - end of period	<u>\$ 3,820,397</u>	<u>\$ 1,578,696</u>

The accompanying notes are an integral part of these statements.

ALBANY COUNTY LAND BANK CORPORATION
(A Component Unit of the County of Albany, New York)

STATEMENTS OF CASH FLOWS
FOR THE PERIODS ENDED JUNE 30, 2016 AND 2015

	<u>2016</u>	<u>2015</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from property sales	\$ 296,696	\$ -
Payments to employees for salaries and benefits	(196,565)	(100,560)
Payments to vendors for goods and services	<u>(362,514)</u>	<u>(155,754)</u>
Net cash flows from operating activities	<u>(262,383)</u>	<u>(256,314)</u>
CASH FLOWS FROM NON-CAPITAL AND RELATED FINANCING ACTIVITIES		
Receipts from grants	1,020,000	1,085,400
Purchases of properties	(38,941)	-
Payments for improvements to property held for sale	<u>(611,716)</u>	<u>(120,798)</u>
Net cash flows from capital and related financing activities	<u>369,343</u>	<u>964,602</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchases of capital assets	<u>-</u>	<u>(5,765)</u>
Net cash flows from non-capital and related financing activities	<u>-</u>	<u>(5,765)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Receipts from rental of property	1,400	600
Receipts from interest earnings	<u>40</u>	<u>-</u>
Net cash flows from investing activities	<u>1,440</u>	<u>600</u>
Net change in cash	108,400	703,123
Cash, beginning of year	<u>703,123</u>	<u>-</u>
Cash, end of year	<u>\$ 811,523</u>	<u>\$ 703,123</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH FROM OPERATING ACTIVITIES:		
Operating loss	\$ (907,007)	\$ (304,238)
Adjustments to reconcile operating loss to net cash from operating activities:		
Depreciation	514	961
Loss on capital asset disposal	2,558	-
Cost of property sales (non-cash item)	570,526	-
Change in assets and liabilities:		
Prepaid expenses	9,186	(36,028)
Accounts payable and accrued liabilities	<u>61,840</u>	<u>83,391</u>
Net cash flows from operating activities	<u>\$ (262,383)</u>	<u>\$ (255,914)</u>
SUPPLEMENTAL DISCLOSURE OF NON-CASH TRANSACTIONS:		
Receipt of property held for sale	<u>\$ 1,697,400</u>	<u>\$ 1,212,100</u>

The accompanying notes are an integral part of these statements.

**ALBANY COUNTY LAND BANK CORPORATION
(A Component Unit of the County of Albany, New York)**

**NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2016 AND 2015**

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Organization

Albany County Land Bank Corporation (Corporation) was formed July 1, 2014, and is governed by its Articles of Incorporation, bylaws and the laws of the State of New York. The Corporation was established to facilitate the process of acquiring, improving and redistributing vacant and abandoned properties in the County of Albany (County). The Corporation's board of directors is comprised of individuals appointed by the County. The Corporation is considered a component unit of the County.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The Corporation's financial statements have been prepared on the accrual basis of accounting using the economic resources measurement focus, in accordance with U.S. generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board (GASB). Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Cash

Custodial credit risk related to cash deposits is the risk that in the event of a failure of a depository financial institution, the reporting entity may not recover its deposits. In accordance with the Corporation's investment policy, all deposits of the Corporation including certificates of deposit and special time deposits, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act (FDIA) shall be secured by a pledge of securities with an aggregate value equal to the aggregate amount of deposits.

The Corporation had bank balances of \$853,355 and \$703,853, at June 30, 2016 and 2015, respectively, of which \$466,460 and \$250,000 are insured by the Federal Deposit Insurance Corporation (FDIC). At June 30, 2016, the remaining bank balance was collateralized with securities held in the Corporation's name. At June 30, 2015, the Corporation had an uncollateralized bank balance of \$453,853.

Prepaid Expenses

Prepaid expenses represent payments made by the Corporation for which benefits extend beyond year-end. These payments to vendors reflect costs applicable to future accounting periods and are reported in the statement of net position as an asset using the consumption method. A current asset for the prepaid amounts is recorded at the time of purchase and an expense is reported in the year the goods or services are consumed.

Property Held for Sale

The Corporation primarily acquires its property held for sale from the County for the purpose of improving those properties and returning them to productive use on the tax rolls. These properties are recorded at assessed value at the time of donation which approximates fair value. Depending on the condition of the property at the time of donation, certain capital costs may be required to improve that property and are included in the value of the property.

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Capital Assets, Net

Capital assets are reported at actual cost. Donated assets are reported at estimated fair value at the time received. Capitalization thresholds, (the dollar value above which asset acquisitions are added to the capital asset accounts), depreciation methods, and estimated useful lives of capital assets reported in the Statement of Net Position are as follows:

	Capitalization <u>Threshold</u>	Depreciation <u>Method</u>	Estimated <u>Useful Life</u>
Furniture and equipment	\$1,000	SL	5 years

Net Position Classifications

In the financial statements, there are three possible classifications of net position:

Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of debt, if any, that are attributable to the acquisition, construction, or improvement of those assets.

The restricted component of net position consists of restricted assets reduced by liabilities related to those assets. Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or the liability will be liquidated with the restricted assets reported. The Corporation does not have restricted net position at June 30, 2016.

The unrestricted component of net position is the net amounts of the assets and liabilities that are not included in the determination of net investment of capital assets or the restricted component of net position.

The Corporation's policy is to first utilize available restricted, when available, and then unrestricted resources in the conduct of its operations.

Classification of Revenue and Expense

Operating revenues are those that result from the provision of services related to the Corporation's principal purposes, and are generally associated with exchange transactions. Nonoperating revenues result from activities that are not directly related to the Corporation's principal purposes, but that exist in order to support them, and generally consist of nonexchange transactions. Other additions arise from nonexchange transactions which provide for the value of donated properties and resources for related capital improvements and are non-exchange transactions.

Grant Revenue – County of Albany

The Corporation received a \$500,000 grant from the County for administrative and startup costs for each of the years ended June 30, 2016 and 2015.

Grant Revenue – State of New York

The Corporation was awarded a \$2,880,000 grant from the New York State Office of the Attorney General for the period January 1, 2015 through December 31, 2016. The grant is to be used to make capital improvement to acquired properties, property maintenance and other operating expenses related to the acquired properties. The grant is paid on a quarterly basis based on the estimated needs for the upcoming quarter specifically related to the properties and includes adjustments for unspent funds from previous quarters.

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Grant Revenue – State of New York (Continued)

As a result, the funds received in advance of disbursement are recognized as unearned grant revenue at June 30, 2016 and 2015.

Income Taxes

The Corporation is a not-for-profit local development corporation under Article 16 of New York State not-for-profit corporation law and is exempt from federal income taxes and New York State taxes. Accordingly, no income tax provision has been made.

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported revenue and expenses during the reporting period. Actual results could differ from those estimates. Estimates and assumptions are made in a variety of areas, including computation of depreciation using useful lives of assets and the fair value of donated property.

2. PROPERTY HELD FOR SALE

The Corporation's activity related to property held for sale during fiscal year ending June 30, 2015 and 2016, are as follows:

<u>Fiscal Year</u>	<u>Balance at Beginning of Year</u>	<u>Donated Property Acquisitions</u>	<u>Purchased Property Acquisitions</u>	<u>Capital Improvements</u>	<u>Property Sales</u>	<u>Balance at End of Year</u>
2016	\$ 1,332,898	1,697,400	38,941	611,716	(570,526)	\$ 3,110,429
2015	\$ -	1,212,100	-	120,798	-	\$ 1,332,898

The Corporation acquired 38 and 124 parcels of property in fiscal year 2016 and 2015, respectively. The Corporation sold 20 and 0 parcels of property in fiscal year 2016 and 2015, respectively. In 2016 the 20 parcels of property were sold for total consideration of \$292,300 resulting in a loss on disposition of those properties of \$278,226.

3. CONCENTRATIONS

The Corporation received 94% and 100% of its non-operating revenue from the County and the New York State Office of the Attorney General for the year ended June 30, 2016 and 2015, respectively.

4. COMMITMENTS AND CONTINGENCIES

In the normal course of business, the Corporation is subject to various lawsuits and claims. Management believes that the ultimate resolution of these matters will not have a significant effect on the Corporation's financial position.

The Corporation participates in two grant programs. These programs could be subject to financial and compliance audits and may be conducted in accordance with grantor requirements on a periodic basis. The amounts, if any, of expenses which may be disallowed by the granting agencies cannot be determined at this time although the Corporation believes, based upon its review of current activity, the amount of such disallowances, if any, will be immaterial.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

September 22, 2016

To the Board of Directors of
Albany County Land Bank Corporation:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Albany County Land Bank Corporation (Corporation), a component unit of the County of Albany, New York as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements, and have issued our report thereon dated September 22, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Corporation's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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(Continued)

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS (Continued)

Compliance and Other Matters

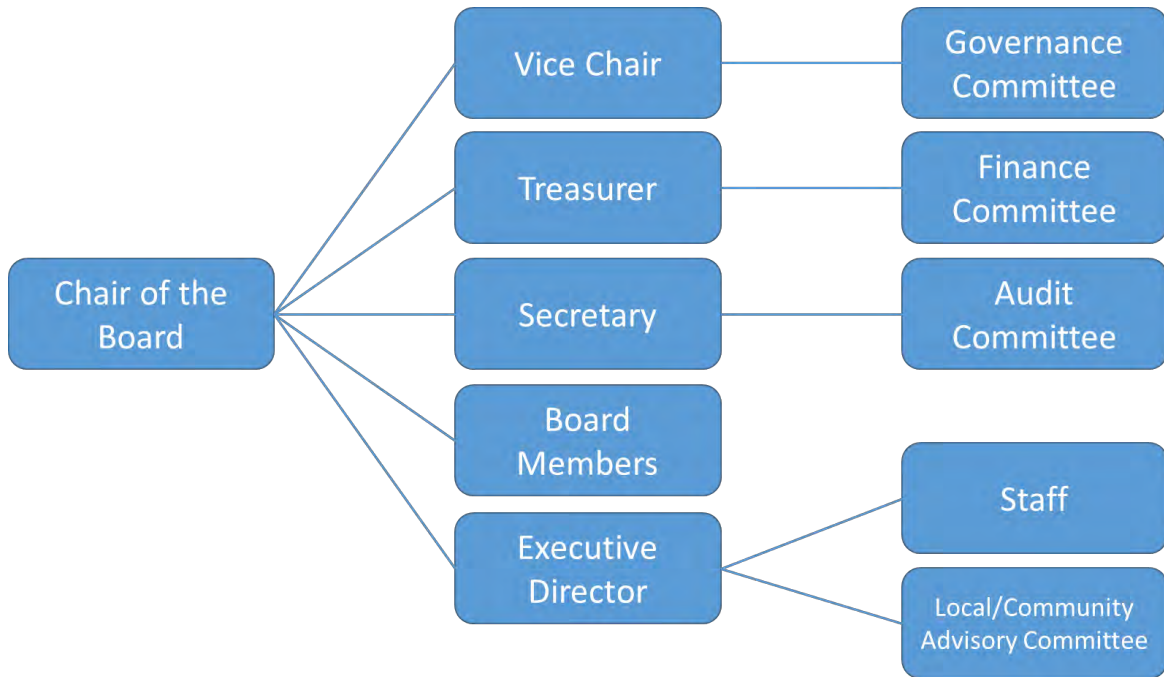
As part of obtaining reasonable assurance about whether the Corporation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

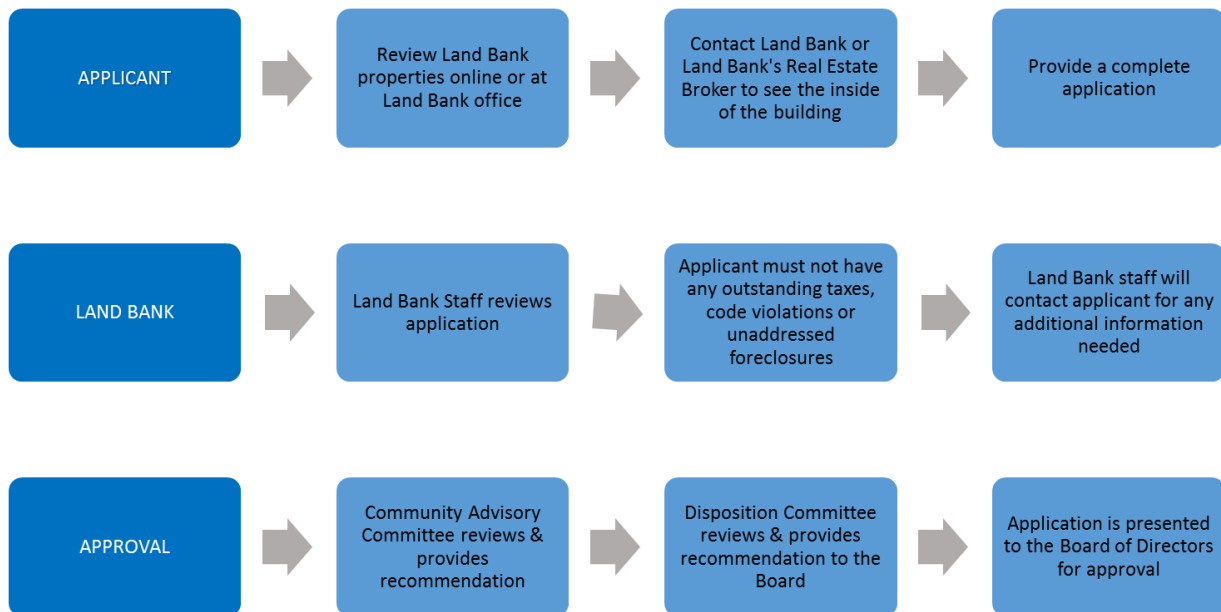
The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Additional Corporate Information and Reporting

Albany County Land Bank Organizational Chart



Albany County Land Bank Property Purchase Process Overview



Board of Directors and Officers

Charles Touhey
Chairman

Pamela Harper
Vice Chair

Mike Jacobson
Treasurer

Ralph Pascale
Secretary

Philip Calderone
Director

Todd Curley
Director

Corey L. Ellis
Director

Chris Spencer
Director

Pastor David Traynham
Director

Samuel Wells
Director

Corporation Staff

Adam Zaranko
Executive Director

Amanda Wyckoff
Property & Development Manager

Christina Wiley
*Executive Assistant and Special Projects
Coordinator*

Corporation Counsel

Catherine Hedgeman, Law Office of Catherine
M. Hedgeman, PLLC

Corporation Accountants

25th Hour Accounting Solutions

Corporation Auditor

The Bonadio Group

Board Committee and Membership

Governance Committee

Corey L. Ellis
Pamela Harper
Pastor David Traynham

Acquisition & Disposition Committee

Charles Touhey
Todd Curley
Mike Jacobson
Pastor David Traynham

Finance & Audit Committee

Corey L. Ellis
Mike Jacobson
Charles Touhey

Compensation Schedule

There were no managerial employees employed by the Corporation who were compensated in excess of one-hundred thousand dollars (\$100,000.00) in 2015/2016.

About the Albany County Land Bank

The Albany County Land Bank Corporation is a Land Bank created by Albany County under the New York Land Bank Act.

Mission Statement

“The Albany County Land Bank facilitates the process of acquiring, improving and redistributing vacant and abandoned properties to eliminate the harms and liabilities caused by such properties and return them to productive use, while being consistent with the municipality’s redevelopment and comprehensive plans.”

Corporate Purpose

Pursuant to the Albany County Land Bank Corporation’s Article of Incorporation:

The Corporation is to be formed and operated for the purpose of acquiring vacant, abandoned, donated and tax-delinquent properties in the County of Albany, New York and for redeveloping them. The lawful public or quasi-public objective which the Corporation will achieve is restoring properties to productive use and the revitalization of neighborhoods in Albany County to productive use in order to eliminate the harms and liabilities caused by such properties, and lessen the burden of government and act in the public interest. In furtherance of said purposes, the Corporation’s powers shall include all powers and duties granted land bank corporations as set forth in Article 16 of the Not-For-Profit Corporation Law of the State of New York, as it may be amended from time-to-time, which powers are incorporated herein by reference as if fully stated herein, and shall also include:

(a) any other act or thing incidental to or connected with the foregoing purposes or in advancement thereof, but not for the pecuniary profit or financial gain of its members, directors, officers or any private person.

(b) In general, to perform any and all acts and things, and exercise any and all powers which may now or hereafter be lawful for the Corporation to do or exercise under and pursuant to the laws of the State of New York for the purpose of accomplishing any of the foregoing purposes of the Corporation.

Legislation that Forms the Statutory Basis of the Corporation

NYS Not-For-Profit Corporation Law - Article 16

Albany County Legislature, Resolution 68 of 2014, Establishing the Albany County Property Development Corporation, a New York State Land Bank

Assessment of the Effectiveness of Internal Control Structure and Procedures

This statement certifies that management has documented and assessed the internal control structure and procedures of the Albany County Land Bank Corporation for the year ending June 30, 2016. This assessment found the corporation’s internal controls to be adequate, and to the extent that deficiencies were identified, the authority has developed corrective action plans to reduce any corresponding risk.