



# ALBANY COUNTY LAND BANK CORPORATION



2017/2018 Annual Report Appendix

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## **Real Property Summary**

**Albany County Land Bank Corporation**  
**July 1, 2017 to June 30, 2018**

In accordance with Public Authorities Law, please provide information on the following:

Any real property of the authority having an estimated fair market value in excess of \$15,000 that the authority either acquired or disposed of during the reporting period.

<u>Transaction Date</u>	<u>Transaction Type</u>	<u>Purchase/Sale Price</u>	<u>Property Address</u>	<u>City</u>	<u>Description</u>
7/17/2017	Disposition - Sale	\$ 25,000	62 Spring Street	Albany	Residential Building
7/24/2017	Disposition - Sale	\$ 36,000	31 Benson Street	Albany	Residential Building
7/24/2017	Disposition - Sale	\$ 30,000	221 S. Swan Street	Albany	Residential Building
7/24/2017	Disposition - Sale	\$ 25,000	157 Homestead Avenue	Albany	Residential Building
7/31/2017	Disposition - Sale	\$ 16,000	411 Elk Street	Albany	Residential Building
8/7/2017	Disposition - Sale	\$ 65,000	112 Kenosha Street	Albany	Residential Building
8/7/2017	Disposition - Sale	\$ 16,500	272 First Street	Albany	Residential Building
8/7/2017	Disposition - Sale	\$ 15,000	274 First Street	Albany	Residential Building
8/8/2017	Acquisition	\$ 1	123 Lancaster St	Cohoes	Residential Building
8/8/2017	Acquisition	\$ 1	2427 4th Avenue	Watervliet	Residential Building
8/8/2017	Acquisition	\$ 1	2112 4th Avenue	Watervliet	Residential Building
8/21/2017	Disposition - Sale	\$ 45,000	1 Bleecker Place	Albany	Residential Building
8/22/2017	Disposition - Sale	\$ 100	7 North Manning Boulevard	Albany	Vacant Lot/Undeveloped Land
9/1/2017	Disposition - Sale	\$ 110,000	102 Lark Street	Albany	Residential Building
9/12/2017	Disposition - Sale	\$ 42,000	6 Magnolia Terrace	Albany	Residential Building
9/12/2017	Disposition - Sale	\$ 42,000	364 Madison Avenue	Albany	Vacant Lot/Undeveloped Land
9/21/2017	Disposition - Sale	\$ 10,000	3 Bear Hollow Road	Delmar	Residential Building
9/21/2017	Disposition - Sale	\$ 9,000	20 13th Street	Watervliet	Residential Building
9/26/2017	Disposition - Sale	\$ 20,000	683 State Street	Albany	Residential Building
9/26/2017	Disposition - Sale	\$ 20,000	148 Whitbeck Road	Coeymans Hollow	Vacant Lot/Undeveloped Land
10/3/2017	Disposition - Sale	\$ 41,100	139 Dana Avenue	Albany	Residential Building
10/10/2017	Disposition - Sale	\$ 70,000	500 County Route 353	Rensselaerville	Residential Building
10/10/2017	Disposition - Sale	\$ 19,000	82 Grand Street	Albany	Residential Building
10/10/2017	Disposition - Sale	\$ 10,000	2188 Tarrytown Road	Clarksville	Residential Building
10/10/2017	Disposition - Sale	\$ 7,500	480 Elk Street	Albany	Residential Building
10/20/2017	Disposition - Sale	\$ 106,000	266-268 Yates Street	Albany	Residential Building
10/24/2017	Disposition - Sale	\$ 20,000	23 O Connell Street	Albany	Residential Building
10/26/2017	Disposition - Sale	\$ 7,500	841 Huntersland Road	Middleburgh	Residential Building
10/26/2017	Disposition - Sale	\$ 4,100	481 Third Street	Albany	Residential Building
10/26/2017	Disposition - Sale	\$ 1	117 Main Street	Ravena	Vacant Lot/Undeveloped Land
11/7/2017	Disposition - Sale	\$ 30,200	236 Vly Road	Colonie	Vacant Lot/Undeveloped Land
11/7/2017	Disposition - Sale	\$ 13,000	1401 6th Avenue	Watervliet	Vacant Lot/Undeveloped Land
11/7/2017	Disposition - Sale	\$ 500	47 Cayuga Street	Cohoes	Vacant Lot/Undeveloped Land
11/8/2017	Disposition - Sale	\$ 30,000	532 Delaware Avenue	Albany	Residential Building
11/28/2017	Disposition - Sale	\$ 15,000	10 Vliet Street	Cohoes	Residential Building
11/28/2017	Disposition - Sale	\$ 14,500	4 Shannon Avenue	Cohoes	Vacant Lot/Undeveloped Land
12/5/2017	Disposition - Sale	\$ 12,000	183 Quail Street	Albany	Residential Building
12/5/2017	Disposition - Sale	\$ 12,000	2325 Delaware Turnpike	Clarksville	Residential Building
12/12/2017	Disposition - Sale	\$ 10,000	41 Quail Street	Albany	Residential Building
12/21/2017	Disposition - Sale	\$ 225,000	25 Lacy Lane	Loudonville	Residential Building
12/21/2017	Disposition - Sale	\$ 135,000	24 John David Lane	Albany	Residential Building
12/21/2017	Disposition - Sale	\$ 2,750	49 O Connell Street	Albany	Residential Building
1/5/2018	Disposition - Sale	\$ 70,000	53 First Street	Cohoes	Residential Building
1/9/2018	Disposition - Sale	\$ 20,000	107 Congress Street	Cohoes	Residential Building
1/9/2018	Disposition - Sale	\$ 17,000	69 Overlook Avenue	Latham	Vacant Lot/Undeveloped Land
1/25/2018	Disposition - Sale	\$ 17,000	448 Bradford Street	Albany	Residential Building
1/25/2018	Disposition - Sale	\$ 1,000	13 Krank Street	Albany	Vacant Lot/Undeveloped Land
2/22/2018	Disposition - Sale	\$ 15,000	134 Green Street	Albany	Residential Building
2/22/2018	Disposition - Sale	\$ 15,000	134 Green Street	Albany	Residential Building
2/22/2018	Disposition - Sale	\$ 13,000	59 Clinton Street	Albany	Residential Building
2/22/2018	Disposition - Sale	\$ 12,500	181 Sheridan Avenue	Albany	Residential Building
2/22/2018	Disposition - Sale	\$ 9,000	599 Broadway	Watervliet	Residential Building
2/22/2018	Disposition - Sale	\$ 1,000	1268 US Route 9W	Selkirk	Vacant Lot/Undeveloped Land

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Any real property of the authority having an estimated fair market value in excess of \$15,000 that the authority either acquired or disposed of during the reporting period.

2/22/2018	Disposition - Sale	\$	1,000	Route 9W	Selkirk	Vacant Lot/Undeveloped Land
2/22/2018	Acquisition	\$	1	Travis Hill Road	Rensselaerville	Vacant Lot/Undeveloped Land
2/22/2018	Acquisition	\$	1	500 13th Street	Watervliet	Residential Building
2/22/2018	Acquisition	\$	1	69 Park Avenue	Cohoes	Residential Building
2/22/2018	Acquisition	\$	1	6000 Johnston Road	Slingerlands	Vacant Lot/Undeveloped Land
2/22/2018	Acquisition	\$	1	Edwards Hill Rd	Preston Hollow	Vacant Lot/Undeveloped Land
2/22/2018	Acquisition	\$	1	20 Canton St	Schenectady	Residential Building
2/22/2018	Acquisition	\$	1	1 Louis St	Cohoes	Residential Building
2/22/2018	Acquisition	\$	1	103 Main Street	Cohoes	Residential Building
2/22/2018	Acquisition	\$	1	5980 Johnston Road	Slingerlands	Vacant Lot/Undeveloped Land
2/22/2018	Acquisition	\$	1	River Rd	Selkirk	Vacant Lot/Undeveloped Land
2/22/2018	Acquisition	\$	1	6176 Depot Rd	Altamont	Vacant Lot/Undeveloped Land
2/28/2018	Acquisition	\$	1	128 Henry Johnson Blvd	Albany	Commercial Building
2/28/2018	Acquisition	\$	1	423 Clinton Avenue	Albany	Residential Building
2/28/2018	Acquisition	\$	1	94 Briar Avenue	Albany	Vacant Lot/Undeveloped Land
2/28/2018	Acquisition	\$	1	472 Second Ave	Albany	Residential Building
2/28/2018	Acquisition	\$	1	50 Emmet Street	Albany	Residential Building
2/28/2018	Acquisition	\$	1	50 West Street	Albany	Residential Building
2/28/2018	Acquisition	\$	1	40 Kakely Street	Albany	Residential Building
2/28/2018	Acquisition	\$	1	133 Clinton Avenue	Albany	Residential Building
2/28/2018	Acquisition	\$	1	633 Clinton Avenue	Albany	Residential Building
2/28/2018	Acquisition	\$	1	262 Morton Avenue	Albany	Residential Building
2/28/2018	Acquisition	\$	1	341 Sherman Street	Albany	Residential Building
2/28/2018	Acquisition	\$	1	157 S Hawk Street	Albany	Residential Building
2/28/2018	Acquisition	\$	1	612 Livingston Avenue	Albany	Residential Building
3/6/2018	Disposition - Sale	\$	20,000	31 North Road	Voorheesville	Residential Building
3/22/2018	Disposition - Sale	\$	142,000	1A Roosevelt Street	Albany	Residential Building
3/28/2018	Disposition - Sale	\$	110,000	100 Lark Street	Albany	Residential Building
4/3/2018	Disposition - Sale	\$	1,000	51 Egbert Street	Cohoes	Vacant Lot/Undeveloped Land
4/12/2018	Disposition - Sale	\$	12,000	163 Ontario Street	Albany	Residential Building
4/12/2018	Disposition - Sale	\$	9,000	1216 4th Avenue	Watervliet	Residential Building
4/24/2018	Disposition - Sale	\$	22,000	Krumkill Road	Albany	Vacant Lot/Undeveloped Land
4/24/2018	Disposition - Sale	\$	13,000	436 Elk Street	Albany	Residential Building
4/24/2018	Disposition - Sale	\$	8,000	33 Ontario Street	Albany	Residential Building
5/10/2018	Disposition - Sale	\$	48,000	138 Morton Avenue	Albany	Residential Building
5/10/2018	Disposition - Sale	\$	16,000	20 Osborne Street	Albany	Residential Building
5/10/2018	Disposition - Sale	\$	5,000	13 Oriole Avenue	Albany	Vacant Lot/Undeveloped Land
5/10/2018	Disposition - Sale	\$	3,000	91 1/2 Central Ave	Cohoes	Residential Building
5/22/2018	Disposition - Sale	\$	16,000	33 West Street	Albany	Residential Building
5/22/2018	Disposition - Sale	\$	8,100	407 Elk Street	Albany	Residential Building
6/7/2018	Disposition - Sale	\$	15,000	5 North Manning Boulevard	Albany	Residential Building
6/7/2018	Acquisition	\$	1	84 Central Avenue	Cohoes	Residential Building
6/7/2018	Acquisition	\$	1	22 Hammond Rd	Delanson	Vacant Lot/Undeveloped Land
6/7/2018	Acquisition	\$	1	1619 Fifth Avenue	Watervliet	Residential Building
6/26/2018	Disposition - Sale	\$	58,000	512 Delaware Avenue	Albany	Residential Building
6/26/2018	Disposition - Sale	\$	30,000	54 Lexington Avenue	Albany	Residential Building
6/26/2018	Disposition - Sale	\$	10,000	115 Lark Street	Albany	Residential Building
7/12/2018	Disposition - Sale	\$	10,250	SR 145	Preston Hollow	Commercial Building
7/24/2018	Disposition - Sale	\$	18,000	1350 Township Road	Altamont	Residential Building
7/24/2018	Disposition - Sale	\$	2,500	391 Second Street	Albany	Residential Building
7/26/2018	Disposition - Sale	\$	1,500	990 Thatcher Park Rd	East Berne	Residential Building
7/31/2018	Disposition - Sale	\$	3,000	1393 Cass Hill Road	East Berne	Residential Building
8/2/2018	Disposition - Sale	\$	34,100	720 First Avenue	Watervliet	Residential Building
8/16/2018	Disposition - Sale	\$	90,000	168 Milner Avenue	Albany	Residential Building
8/16/2018	Disposition - Sale	\$	18,000	315 Broadway	Menands	Commercial Building
8/16/2018	Disposition - Sale	\$	15,000	254 Yates Street	Albany	Residential Building
8/23/2018	Disposition - Sale	\$	40,000	12 Rutland Ave	Colonie	Residential Building
8/23/2018	Disposition - Sale	\$	25,500	67 Ontario Street	Albany	Residential Building
9/7/2018	Disposition - Sale	\$	15,000	100 Phillip Street	Albany	Commercial Building

# 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

## **Board of Directors Policy on Conflict of Interest**

### **Introduction**

The Albany County Land Bank Corporation was approved by New York State Urban Development Corporation d/b/a Empire State Development, pursuant to Article 16 of the New York State Not-for Profit Corporation Law in May 2014. The Albany County Land Bank is a not-for-profit formed in 2014 by the Albany County Legislature to facilitate the return of vacant and abandoned properties to productive use. The Land Bank's work will include the acquisition and resale of properties to qualified buyers/investors, Land Bank-managed renovation of properties to sell in move-in or rehab ready condition, and long-term holding and assembly of certain properties to facilitate future development projects.

### **Definitions**

- a. Board of Directors – also known as Board Members or the body responsible for the governance of the Land Bank.
- b. Financial Interest – a person has a financial interest if the person has, directly or indirectly, through business, investment or family relative:
  - 1.) an ownership or investment interest in any entity with which the Land Bank has a transaction or arrangement; or
  - 2.) A compensation arrangement with the Land Bank or with any entity or individual with which the Land Bank has a transaction or arrangement; or
  - 3.) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Land Bank is negotiating a transaction, agreement or arrangement. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.
- c. Interested Person – any Director, Principal Officer, Key Employee or member of a committee with board delegated powers who has a direct or indirect financial interest, is an interested person.
- d. Key Employee – a Key Employee is a person who is in a position to exercise substantial influence over the affairs of the Land Bank. This includes, but is not limited to:

- 1.) Voting members of the Board;
  - 2.) Presidents, Officers or employees of any other title with similar responsibilities;
  - 3.) Treasurers, Officers or employees of any other title with similar responsibilities; or
  - 4.) An employee who is in a position to exercise substantial influence over the affairs of the Land Bank.
- e. Officer – A person designated as such in the Land Bank by-laws.
- f. Related Party – Persons who may be considered a Related Party of the Land Bank under this Policy include:
- 1.) Directors, Officers or Key Employees of the Land Bank;
  - 2.) Relatives of Directors, Officer or Key Employees of the Land Bank;
  - 3.) Any entity in which a person in (1) or (2) has a 35% or greater ownership or beneficial interest or, in the case of a partnership or professional corporation, a direct or indirect ownership interest in excess of 5%.
- g. Related Party Transaction – any transaction, agreement or any other arrangement with the Land Bank in which a Related Party has a Financial Interest. Any Related Party Transaction will be considered a conflict of interest for the purposes of this Policy.
- h. Relative – a Relative is a spouse, ancestor, child (whether natural or adopted), grandchild, great grandchild, or sibling (whether whole or half-blood).
- i. Independent Board Member as defined by Section 2825(2) of the Public Authorities law - A board member is considered to be independent if all of the following criteria are met:
- (1) The board member is not currently an employee of the public authority in an executive position, nor was an employee of the public authority in an executive position in the past two years;
  - (2) The board member is not or has not been, in the previous two years, employed by an entity that received a payment valued at more than fifteen thousand dollars for goods and services provided to the public authority, as well as any other form of financial assistance valued at more than fifteen thousand dollars from the public authority;
  - (3) The board member is not a relative of an executive officer or employee in an executive position of the public authority or an affiliate;
  - (4) The board member is not 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 public authority or affiliate.

## **Responsibilities**

The individual Director is responsible for disclosure to the Board of any potential conflict of interest. The President of the Board has the responsibility of informing each Director-elect of such policy and receiving assurance of compliance should such Director-elect agree to serve as a member of the Board.

## **Purpose**

The purpose of this policy is to provide a systematic and ongoing method of assisting members of the Board of Directors in disclosing and resolving potential conflicts of interest, thus assuring the community and the public at large of the good faith and integrity of the officers and members of the Board of Directors in the management of the Land Bank. This policy is intended to supplement but not replace any applicable state laws governing conflicts of interest applicable to nonprofit and charitable corporations.

## **General Conflict of Interest Procedure**

1. Each newly-elected Director, prior to taking his/her position on the Board, and all present Directors as soon as practicable after the adoption of this policy, shall disclose, in writing, on the Disclosure Statement, which is attached, to the Audit Committee of the Board of Directors, the nature of any external interests that potentially conflict with his/her interest as a Director. Such conflict of interest includes, but is not limited to, directorship, management, consultation, or material business with the Land Bank, or where there is great likelihood that such concern will be doing business with the Land Bank. Such conflict of interest also includes financial interests, defined as any person having directly or indirectly, through business, investment, or family: a) an ownership or investment interest in any entity with which the Land Bank has a transaction or arrangement, or b) a compensation arrangement with the Land Bank or with any entity or individual with which the organization has a transaction or arrangement, or c) a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Land Bank is negotiating a transaction or arrangement. Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature. Other areas requiring disclosure include the purchase or sale of property or property rights and interests potentially in competition with the Land Bank, and/or the involvement with organizations providing services similar to the Land Bank.
2. Whenever a Director assumes new external interests that potentially conflict with his/her role as a Director of the Land Bank, such individual will disclose, in writing, the nature of such external interests to the Audit Committee.
3. Questions relating to the possible existence of a conflict of interest may be directed to the Land Bank's legal consultant for his/her review and determination.

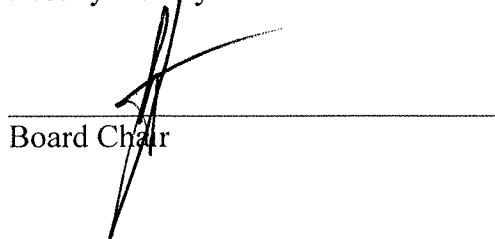
4. Whenever a matter being deliberated by the Board of Directors, or any committee or subcommittee of the Board, creates a potential conflict of interest for any Director, such Director will neither vote nor influence the decision of the Board or committee, nor be counted in determining the quorum for the meeting. The foregoing will not be construed as preventing any Director from stating his position on any Board matter, nor from providing information to other Directors on any Board matter. It is expected that following a Director's statement of his position on a given issue, that he/she will leave the meeting during the discussion of, and the vote on, the transaction or arrangement that results in the conflict of interest. The minutes of the meeting will record the name of the person(s) who disclosed conflicting interests, the nature of the conflicting interests and note their abstention from the discussion and vote. The minutes of the meeting will also reflect the justification for determining the quorum.
  
5. If the Audit committee has reasonable cause to believe that a director has failed to disclose actual or possible conflicts of interest, it shall inform the director of the basis for such belief and afford the director an opportunity to explain the alleged failure to disclose.
  
6. If, after hearing the response of the director and making such further investigation as may be warranted under the circumstances, the Audit committee determines that the member has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate corrective action.
  
7. If the Audit committee has reasonable cause to believe that a director has failed to disclose an actual or possible conflict of interest, then the Audit committee shall consider whether another discussion and/or vote on the matter is necessary or appropriate, and management/the Board of Directors shall refrain to the extent practical from acting on the basis of the initial Audit committee action until such reconsideration has occurred.

**Related Party Transaction and Whistleblower Policy**

The board of the Land Bank also requires that all directors of the Land Bank review and acknowledge corresponding policies to this conflict of interest policy which include the Land Bank's Whistleblower Policy (Appendix A), the Land Bank's Related Party Transaction Policy (Appendix B), and the Land Bank's Code of Ethics Policy (Appendix C). Copies of Said Policies are attached hereto and are intended to be incorporated herein.

  
 \_\_\_\_\_  
 Executive Director  
 Albany County Land Bank

6/22/15  
 \_\_\_\_\_  
 Date

  
 \_\_\_\_\_  
 Board Chair

6-23-15  
 \_\_\_\_\_  
 Date

**ALBANY COUNTY LAND BANK  
BOARD OF DIRECTORS CONFLICT OF INTEREST  
DISCLOSURE STATEMENT**

Pursuant to the purposes and intent of the policy on conflicts of interest requiring disclosure of certain interests, adopted by the Board of Directors, a copy of which has been furnished to me, I hereby state that I have read and understand the policy and agree to comply with the policy. I understand that the policy applies to all committees and subcommittees having board-delegated powers. I understand that the Land Bank is a Public Authority and a charitable organization that must engage primarily in activities that accomplish one or more of its tax-exempt purposes to maintain its tax-exempt status. I hereby state that I and/or members of my immediate family have no affiliations or interests and have taken part in no transaction which, when considered in conjunction with my relation to the Land Bank, might constitute a conflict of interest, except as is noted below. (If none, write "None". Please use additional paper if more space is needed.)

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I also agree to report to the Audit Committee of any situations that may develop in the above areas before completion of the next annual disclosure statement.

Printed Name: \_\_\_\_\_ Date: \_\_\_\_\_

Signature: \_\_\_\_\_

## **APPENDIX A**

### **THE ALBANY COUNTY LAND BANK Whistleblower Policy**

#### **General**

The Land Bank requires directors, key volunteers, and employees to observe high standards of business and personal ethics in the conduct of their duties and responsibilities. Employees and representatives of the organization must practice honesty and integrity in fulfilling their responsibilities and comply with all applicable laws and regulations.

The objectives of the Land Bank's Whistleblower Policy are to establish policies and procedures for:

- The submission of concerns regarding questionable accounting or audit matters by employees, directors, officers, and key volunteers of the organization, on a confidential and anonymous basis;
- The receipt, retention, and treatment of complaints received by the organization regarding accounting, internal controls, or auditing matters;
- The protection of directors, volunteers and employees reporting concerns from retaliatory actions.

#### **Reporting Responsibility**

Each director, key volunteer, and employee of the Land Bank has an obligation to report in accordance with this Whistleblower Policy: (a) questionable or improper accounting or auditing matters, and (b) violations and suspected violations of the Land Bank's Code of Ethics and/or Conflicts of Interest Policy (hereinafter collectively referred to as Concerns).

#### **Authority of Audit Committee**

All reported Concerns will be forwarded to the Audit Committee in accordance with the procedures set forth herein. The Audit Committee shall be responsible for investigating, and making appropriate recommendations to the Board of Directors, with respect to all reported Concerns.

#### **No Retaliation**

This Whistleblower Policy is intended to encourage and enable directors, key volunteers, and employees to raise Concerns within the Organization for investigation and appropriate action. With this goal in mind, no director, volunteer, or employee who, in good faith, reports a Concern shall be subject to retaliation or, in the case of an employee, adverse employment consequences. Moreover, a volunteer or employee who retaliates against someone who has reported a Concern in good faith is subject to discipline up to and including dismissal from the volunteer position or termination of employment.



## **Reporting Concerns**

### **Employees**

Employees should first discuss their Concern with their immediate supervisor. If, after speaking with his or her supervisor, the individual continues to have reasonable grounds to believe the Concern is valid, the individual should report the Concern to the Audit Committee. In addition, if the individual is uncomfortable speaking with his or her supervisor, or the supervisor is a subject of the Concern, the individual should report his or her Concern directly to the Audit Committee.

If the Concern was reported verbally to the employee's immediate supervisor, the reporting individual, with assistance from the supervisor, shall reduce the Concern to writing. The supervisor is required to promptly report the Concern to the Chair of the Audit Committee, who has specific and exclusive responsibility to investigate all Concerns. Contact information for the Chair of the Audit Committee may be obtained through the Executive Director or Board Chairman/President. Concerns may be also be submitted anonymously. Such anonymous Concerns should be in writing and sent directly to the Chair of the Audit Committee.

### **Directors and Other Volunteers**

Directors and other Key Volunteers should submit Concerns in writing directly to the Chair of the Audit Committee. Contact information for the Chair of the Audit Committee may be obtained from the Executive Director.

### **Handling of Reported Violations**

The Audit Committee shall address all reported Concerns. The Chair of the Audit Committee shall immediately notify the Audit Committee, the Chairman/President, and the Executive Director, of any such report. The Chair of the Audit Committee will notify the sender and acknowledge receipt of the Concern within five business days, if possible. It will not be possible to acknowledge receipt of anonymously submitted Concerns.

All reports will be promptly investigated by the Audit Committee, and appropriate corrective action will be recommended to the Board of Directors, if warranted by the investigation. In addition, action taken must include a conclusion and/or follow-up with the complainant for complete closure of the Concern.

The Audit Committee has the authority to retain outside legal counsel, accountants, private investigators, or any other resource deemed necessary to conduct a full and complete investigation of the allegations.

### **Acting in Good Faith**

Anyone reporting a Concern must act in good faith and have reasonable grounds for believing the information disclosed indicates an improper accounting or auditing practice, or a violation of the Code of Ethics and/or Conflict of Interest Policy. The act of making allegations that prove to be unsubstantiated, and that prove to have been made maliciously, recklessly, or with the foreknowledge that the allegations are false, will be viewed as a serious disciplinary offense and may result in discipline, up to and including dismissal from the volunteer position, termination of employment, or termination of board service. Such conduct may also give rise to other actions, including civil lawsuits.

**Confidentiality**

Reports of Concerns, and investigations pertaining thereto, shall be kept confidential and to the extent possible, consistent with the need to conduct an adequate investigation. Disclosure of reports of Concerns to individuals not involved in the investigation will be viewed as a serious disciplinary offense and may result in discipline, up to and including termination of employment, volunteer opportunity or Board service. Such conduct may also give rise to other actions, including civil lawsuits.

## **APPENDIX B**

### **THE ALBANY COUNTY LAND BANK**

#### **Related Party Transaction Policy**

The Land Bank shall not enter into any related party transaction unless the transaction is determined by the board to be fair, reasonable and in the corporation's best interest at the time of such determination. Any director, officer or key employee who has an interest in a related party transaction shall disclose in good faith to the board, or an authorized committee thereof, the material facts concerning such interest.

#### **Definitions**

The term "Independent director" means a director who: (i) is not, and has not been within the last three years, an employee of the corporation or an affiliate of the corporation, and does not have a relative who is, or has been within the last three years, a key employee of the corporation or an affiliate of the corporation; (ii) has not received, and does not have a relative who has received, in any of the last three fiscal years, more than ten thousand dollars in direct compensation from the corporation or an affiliate of the corporation (other than reimbursement for expenses reasonably incurred as a director or reasonable compensation for service as a director as permitted by paragraph (a) of section 202 (General and special powers)); and (iii) is not a current employee of or does not have a substantial financial interest in, and does not have a relative who is a current officer of or has a substantial financial interest in, any entity that has made payments to, or received payments from, the corporation or an affiliate of the corporation for property or services in an amount which, in any of the last three fiscal years, exceeds the lesser of twenty-five thousand dollars or two percent of such entity's consolidated gross revenues. For purposes of this subparagraph, "payment" does not include charitable contributions.

The Term "Relative" of an individual means his or her (i) spouse, ancestors, brothers and sisters (whether whole or half-blood), children (whether natural or adopted), grandchildren, great-grandchildren, and spouses of brothers, sisters, children, grandchildren, and great-grandchildren; or (ii) domestic partner as defined in section 2924(a) of the public health law.

The term "Related Party" means (i) any director, officer or key employee of the corporation or any affiliate of the corporation; (ii) any relative of any director, officer or key employee of the corporation or any affiliate of the corporation; or (iii) any entity in which any individual described in clauses (i) and (ii) of this subparagraph has a thirty-five percent or greater ownership or beneficial interest or, in the case of a partnership or professional corporation, a direct or indirect ownership interest in excess of five percent.

The term "Related Party Transaction" means any transaction, agreement or any other arrangement in which a related party has a financial interest and in which the corporation or any affiliate of the corporation is a participant.

The term "Key employee" means any person who is in a position to exercise substantial influence over the affairs of the corporation.

## **Reporting Responsibility**

Each director, Key Volunteer and employee of the Land Bank has an obligation to report and in accordance with this Policy.

## **Authority of Audit Committee**

All reported Concerns will be forwarded to the Audit Committee in accordance with the procedures set forth herein. The Audit Committee shall be responsible for investigating, and making appropriate recommendations to the Board of Directors, with respect to all reported Concerns.

## **Procedure**

With respect to any related party in which a related party has a substantial financial interest, the Audit and Finance committee of the Land Bank shall:

- (1) Prior to entering into the transaction, consider alternative transactions to the extent available;
- (2) Approve or Decline the transaction by not less than a majority vote of the directors or committee members present at the meeting; and
- (3) Contemporaneously document in writing the basis for the board or authorized committee's approval or decline, including its consideration of any alternative transactions.
- (4) Keep all matters discussed before the Board and/or Audit committee confidential.

## APPENDIX C

### THE ALBANY COUNTY LAND BANK

#### CODE OF ETHICS

It is the intent of the Land Bank to strive for the highest ethical conduct from all board and staff. The leadership is particularly sensitive to individuals who hold management and governance positions of trust and confidence in fulfilling the mission and goals of the organization. These sensitive positions include officers, key senior staff members designated by the chief executive, and members of the board.

In an effort to achieve the highest standards of conduct, each officer, key staff member, key volunteer, and board member is requested to acknowledge (by signing) the following adopted Code of Ethics each year.

This Code of Ethics 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(1) 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(1) 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).

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 director's 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, entertain, hospitality, or 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 director 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 strict 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 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 Officers who shall report to the board and shall the following duties:

- Counsel in confidence with the Land Bank directors and employees who seek advice about ethical behavior.

- Receive and investigation complaints about possible ethics violations.
- Dismiss complaints found to be without substance.
- Prepare an investigation report of their findings for action buy 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 violates any of the provisions of this code many 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 ethical behavior by a direction 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 protection 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**

**(State Legislation that Forms the Statutory Basis of the Corporation)**



**Albany County Resolution 68 of 2014**  
**(Local Legislation that Forms the Statutory Basis of the Corporation)**

## 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 4<sup>th</sup> 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*

# **2016/2017 Audited Financial Report**

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

**Financial Statements as of  
June 30, 2018 and 2017  
Together with  
Independent Auditor's Reports**

**Bonadio & Co., LLP**  
Certified Public Accountants

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## **INDEPENDENT AUDITOR'S REPORT**

September 25, 2018

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 years ended June 30, 2018 and 2017, 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.

6 Wembley Court  
Albany, New York 12205  
p (518) 464-4080  
f (518) 464-4087

[www.bonadio.com](http://www.bonadio.com)

(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, 2018 and 2017, 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 25, 2018 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 solely 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 the effectiveness of the Corporation's 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, 2018 AND 2017**

---

*The following is a discussion and analysis of the Corporation's financial performance for the fiscal year ended June 30, 2018. 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 decreased approximately \$1.6 million this year. Much of this decrease 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 183 properties in fiscal year 2018, a substantial increase from 73 properties in fiscal year 2017.
- Revenue from property sales in fiscal year 2018 was approximately \$2.2 million, an increase of 68% from the approximately \$1.3 million in property sales in fiscal year 2017.
- Revenue from property sales comprised substantially all operating revenue in fiscal year 2018.
- The Corporation added three full-time staff positions and two part-time positions in fiscal year 2017 increasing salary and benefit expenses in addition to having one AmeriCorps service member, which was funded from a grant from the Local Initiatives Support Corporation.
- The increase of property sales, addition of new properties and commensurate increase in number of property improvements and ongoing maintenance resulted in a corresponding increase in operating expenses, including professional fees, insurance and other related expenses.
- Property held for sale was valued at approximately \$7.5 million in fiscal year 2018. It should be noted that this is recorded at the assessed value of the property at the time of donation from the County, which is typically greater than actual market value.
- The Corporation had approximately \$3.3 million in cash at the end of fiscal year 2018, an increase from approximately \$1.8 million at the beginning of the year. The majority of this cash increase is from grant funds received by the Corporation and cash from property sales exceeding cash outlays for salaries, improvements to properties held for sale and other operating costs.
- The Corporation had a net cash flow from operations of \$191,128 in fiscal year 2018. This has been primarily due to an increase in property sales as the Corporation finishes its fourth year of existence and is able to return more properties to productive use.
- The Corporation is in a stronger financial position as it finishes its fourth year of operations; however, the Corporation 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.

## Overview of the Financial Statements (Continued)

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. 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.

## Financial Analysis

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, 2018 and 2017:

### Summary of Net Position

	<u>2018</u>	<u>2017</u>	<u>\$ Change</u>	<u>% Change</u>
Current assets	\$ 3,402,996	\$ 1,970,349	\$ 1,432,647	73%
Non-current assets	<u>7,470,492</u>	<u>10,116,934</u>	<u>(2,646,442)</u>	<u>-26%</u>
Total assets	<u>10,873,488</u>	<u>12,087,283</u>	<u>(1,213,795)</u>	<u>-10%</u>
Current liabilities	629,307	157,083	472,224	301%
Non-current liabilities	<u>-</u>	<u>61,238</u>	<u>(61,238)</u>	<u>100%</u>
Total liabilities	<u>629,307</u>	<u>218,321</u>	<u>410,986</u>	<u>188%</u>
Net position				
Net investment in capital assets	4,398	6,019	(1,621)	-27%
Unrestricted	<u>10,239,783</u>	<u>11,862,943</u>	<u>(1,623,160)</u>	<u>-14%</u>
	<u>\$ 10,244,181</u>	<u>\$ 11,868,962</u>	<u>\$ (1,624,781)</u>	<u>-14%</u>

In the fourth year of the Corporation's existence, the Corporation's net position decreased by \$1.62 million. This decrease resulted primarily through increasing inventory of property held for sale through donations from the County as well as capital improvements made to those properties through grant funds. The Corporation accepted \$1.8 million in properties from the County of Albany, which were recorded at their assessed value. To further increase the property inventory value, the Corporation made \$775 thousand in capital improvements to its property that were held for sale. The Corporation sold 183 properties during the year that removed \$5.15 million in property cost from its inventory.

## Financial Analysis (Continued)

### Summary of Changes in Net Position

	<u>2017</u>	<u>2016</u>	<u>\$ Change</u>	<u>% Change</u>
Operating Revenue:				
Sale of property	\$ 2,203,184	\$ 1,311,078	\$ 892,106	68%
Other income	<u>12,120</u>	<u>17,972</u>	<u>(5,852)</u>	<u>-33%</u>
Total operating revenues	<u>2,215,304</u>	<u>1,329,050</u>	<u>886,254</u>	<u>67%</u>
Operating Expenses	<u>7,451,607</u>	<u>4,799,186</u>	<u>2,652,421</u>	<u>55%</u>
Operating loss	<u>(5,236,303)</u>	<u>(3,470,136)</u>	<u>(1,766,167)</u>	<u>51%</u>
Non-operating revenues:				
Grants	1,046,290	789,643	256,647	33%
Other	<u>29,992</u>	<u>10,053</u>	<u>19,939</u>	<u>198%</u>
Total non-operating revenues	<u>1,076,282</u>	<u>799,696</u>	<u>276,586</u>	<u>35%</u>
Other Additions:				
Donated property	1,793,274	9,527,415	(7,734,141)	-81%
Grants	<u>741,966</u>	<u>1,191,590</u>	<u>(449,624)</u>	<u>-38%</u>
Total other additions	<u>2,535,240</u>	<u>10,719,005</u>	<u>(8,183,765)</u>	<u>-76%</u>
Change in net position	(1,624,781)	8,048,565	(9,673,346)	-120%
Net position - beginning of year	<u>11,868,962</u>	<u>3,820,397</u>	<u>8,048,565</u>	<u>211%</u>
Net position - end of year	<u>\$ 10,244,181</u>	<u>\$ 11,868,962</u>	<u>\$ (1,624,781)</u>	<u>-14%</u>

The Corporation in its fourth year of operations saw an increase in operating revenues and expenses. Operating revenues increased 67% due to selling 183 properties in fiscal year 2018, which was an increase from the 73 properties sold in fiscal year 2017. This increase in activity also affected operating expenses, increasing them by approximately \$2.6 million. Grant and donated property revenues saw decreases in 2018. Grant revenues decreased due to the City of Albany grant not recurring in 2018 and the County of Albany grant was reduced to \$250,000. Donated properties decreased due to the number of properties donated by the County of Albany decreasing from 470 property acquisitions in fiscal year 2017 to 91 in fiscal year 2018.

### 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 69 State Street, 8<sup>th</sup> Floor, Albany, New York 12207.

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

**STATEMENT OF NET POSITION**  
**JUNE 30, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
<b>ASSETS</b>		
Cash	\$ 3,323,273	\$ 1,799,473
Accounts receivable	14,700	19,500
Due from New York State	9,150	114,388
Prepaid expenses	<u>55,873</u>	<u>36,988</u>
Total current assets	<u>3,402,996</u>	<u>1,970,349</u>
Property held for sale	7,466,094	10,049,677
Other	-	61,238
Capital assets, net	<u>4,398</u>	<u>6,019</u>
Total assets	<u>10,873,488</u>	<u>12,087,283</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	442,979	156,352
Unearned revenues	<u>186,328</u>	<u>731</u>
Total current liabilities	<u>629,307</u>	<u>157,083</u>
Other long-term liabilities	<u>-</u>	<u>61,238</u>
Total liabilities	<u>629,307</u>	<u>218,321</u>
<b>NET POSITION</b>		
Net investment in capital assets	4,398	6,019
Unrestricted - property held for resale	7,466,094	10,049,677
Unrestricted - available for operations	<u>2,773,689</u>	<u>1,813,266</u>
	<u>\$ 10,244,181</u>	<u>\$ 11,868,962</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 YEARS ENDED JUNE 30, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
<b>OPERATING REVENUE:</b>		
Sale of properties	\$ 2,203,184	\$ 1,311,078
Fees and other revenues	<u>12,120</u>	<u>17,972</u>
Total operating revenue	<u>2,215,304</u>	<u>1,329,050</u>
<b>OPERATING EXPENSES:</b>		
Cost of sales	5,152,068	3,705,092
Property maintenance	948,696	218,039
Salaries and benefits	524,107	326,183
Albany County - property tax recoveries	263,533	100,335
Insurance	210,187	122,965
Professional fees	156,410	155,109
Property taxes	83,038	25,505
Office and administrative	77,873	64,076
Property sale related	24,855	74,809
Travel	9,219	5,820
Depreciation	<u>1,621</u>	<u>1,253</u>
Total operating expenses	<u>7,451,607</u>	<u>4,799,186</u>
Operating loss	<u>(5,236,303)</u>	<u>(3,470,136)</u>
<b>NON-OPERATING REVENUE:</b>		
Grant revenue - State of New York	768,287	252,699
Grant revenue - County of Albany	250,000	500,000
Grant revenue - LISC	28,003	36,944
Rental and other income	27,832	9,435
Interest	<u>2,160</u>	<u>618</u>
Total non-operating revenues	<u>1,076,282</u>	<u>799,696</u>
<b>OTHER ADDITIONS:</b>		
Donation of property for sale	1,793,274	9,527,415
Grant revenue - State of New York	448,457	1,038,949
Grant revenue - State of New York (NFN)	293,509	42,808
Grant revenue - City of Albany	<u>-</u>	<u>109,833</u>
Total other additions	<u>2,535,240</u>	<u>10,719,005</u>
CHANGE IN NET POSITION	<u>(1,624,781)</u>	<u>8,048,565</u>
NET POSITION - beginning of year	<u>11,868,962</u>	<u>3,820,397</u>
NET POSITION - end of year	<u>\$ 10,244,181</u>	<u>\$ 11,868,962</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 YEARS ENDED JUNE 30, 2018 AND 2017**

	<u>2018</u>	<u>2017</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from property sales	\$ 2,209,184	\$ 1,292,378
Receipts from other operating activities	12,120	17,972
Payments to employees for salaries and benefits	(518,039)	(316,948)
Payments to vendors for goods and services	<u>(1,512,137)</u>	<u>(734,134)</u>
Net cash flows from operating activities	<u>191,128</u>	<u>259,268</u>
<b>CASH FLOWS FROM NON-CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Receipts from grants	2,077,891	1,841,094
Purchases of properties	-	(8,500)
Payments for improvements to property held for sale	<u>(775,211)</u>	<u>(1,108,425)</u>
Net cash flows from capital and related financing activities	<u>1,302,680</u>	<u>724,169</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Purchases of capital assets	<u>-</u>	<u>(5,540)</u>
Net cash flows from non-capital and related financing activities	<u>-</u>	<u>(5,540)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Receipts from rental of property and other nonoperating income	27,832	9,435
Receipts from interest earnings	<u>2,160</u>	<u>618</u>
Net cash flows from investing activities	<u>29,992</u>	<u>10,053</u>
Net change in cash	1,523,800	987,950
Cash, beginning of year	<u>1,799,473</u>	<u>811,523</u>
Cash, end of year	<u>\$ 3,323,273</u>	<u>\$ 1,799,473</u>
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH</b>		
<b>FROM OPERATING ACTIVITIES:</b>		
Operating loss	\$ (5,236,303)	\$ (3,470,136)
Adjustments to reconcile operating loss to net cash from operating activities:		
Depreciation	1,621	1,253
Cost of property sales (non-cash item)	5,152,068	3,705,092
Change in assets and liabilities:		
Accounts receivable	4,800	(18,700)
Prepaid expenses	(18,885)	(10,146)
Accounts payable and accrued liabilities	286,627	51,905
Unearned revenues	<u>1,200</u>	<u>-</u>
Net cash flows from operating activities	<u>\$ 191,128</u>	<u>\$ 259,268</u>
<b>SUPPLEMENTAL DISCLOSURE OF NON-CASH TRANSACTIONS:</b>		
Receipt of property held for sale	<u>\$ 1,793,274</u>	<u>\$ 9,527,415</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, 2018 AND 2017**

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**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 \$3,217,001 and \$1,960,765, at June 30, 2018 and 2017, respectively, of which \$500,000 and \$500,000 are insured by the Federal Deposit Insurance Corporation (FDIC). At June 30, 2018 and 2017, the remaining bank balance was collateralized with securities held in the Corporation's name.

**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, 2018.

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 \$250,000 and \$500,000 grant from the County for administrative costs for each of the years ended June 30, 2018 and 2017, respectively.

### 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, 2017. The Corporation was also awarded two additional grants from the New York State Office of the Attorney General for the period January 2017 to December 31, 2018 for \$1,040,834 and \$450,000. The grants are to be used to make capital improvement to acquired properties, property maintenance and other operating expenses related to the acquired properties.

## 1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(Continued)

### Grant Revenue – State of New York (Continued)

The grants are received 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.

Funds received in advance of disbursement are recognized as unearned grant revenue and disbursements exceeding amounts received are recognized as due from New York State.

### 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, 2018 and 2017 are as follows:

Fiscal Year	Balance at Beginning of Year	Donated Property Acquisitions	Purchased Property Acquisitions	Capital Improvements	Cost of Property Sales	Balance at End of Year
2018	\$ 10,049,677	1,793,274	-	775,211	(5,152,068)	\$ 7,466,094
2017	\$ 3,110,429	9,527,415	8,500	1,108,425	(3,705,092)	\$ 10,049,677

The Corporation acquired 91 and 470 parcels of property in fiscal year 2018 and 2017, respectively. The Corporation sold 183 and 73 parcels of property in fiscal year 2018 and 2017, respectively. In 2018, the 183 parcels of property were sold for total consideration of \$2,203,184 resulting in a loss on disposition of those properties of \$2,948,884. In 2017, the 73 parcels of property were sold for total consideration of \$1,311,078 resulting in a loss on disposition of those properties of \$2,394,014.

## 3. CONCENTRATIONS

The Corporation received 61% and 89% of its revenue from state and local government grants for the year ended June 30, 2018 and 2017, 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 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.

The Corporation entered into a lease agreement for office space in November of 2016. The lease term is through November 2019 and has a fixed annual rent of \$20,520. The lease agreement also provides for additional rent which is the Corporation's pro-rata share of the building's tax, operating and maintenance payments. Rental expense for the years ended June 30, 2018 and 2017 was \$24,238 and \$16,127, respectively.

**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 25, 2018

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, 2018, 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 25, 2018.

**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.

6 Wembley Court  
Albany, New York 12205  
p (518) 464-4080  
f (518) 464-4087

www.bonadio.com

(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*.

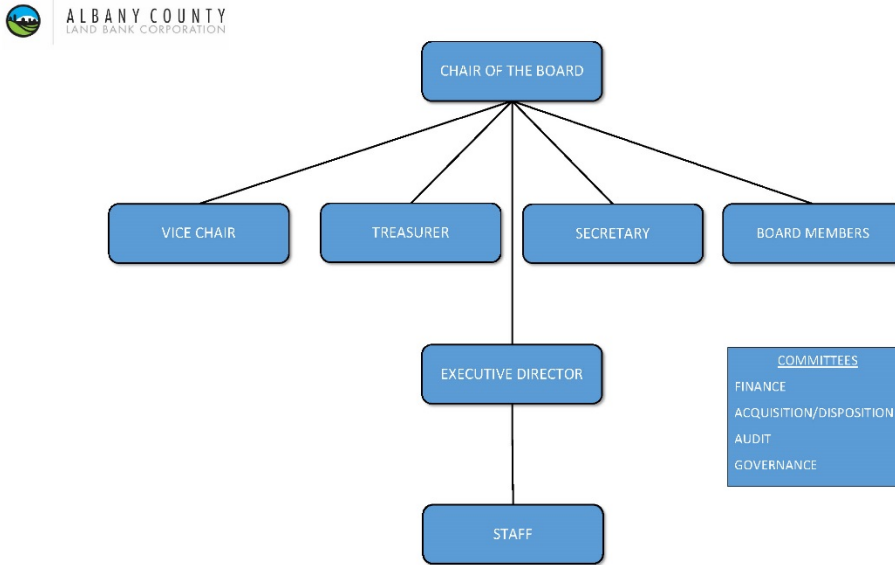
**Purpose of this Report**

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 Corporate Organizational Chart

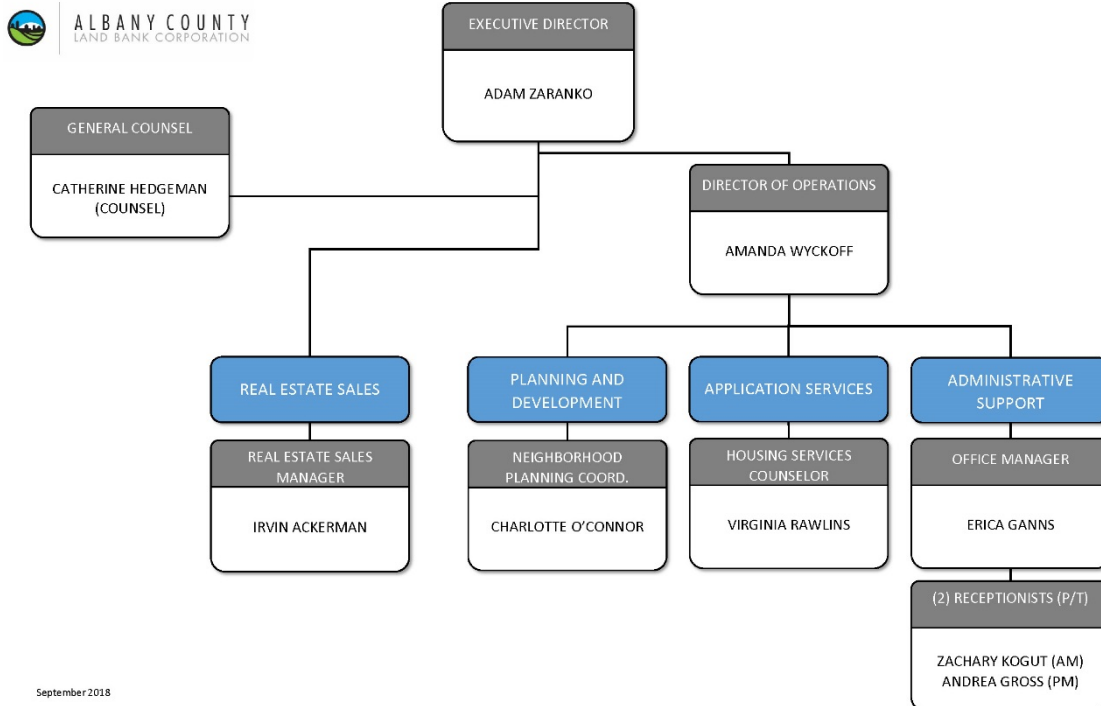
ALBANY COUNTY LAND BANK CORPORATION ORGANIZATIONAL CHART



September 2018

# Albany County Land Bank Staff Organizational Chart

ALBANY COUNTY LAND BANK CORPORATION STAFF ORGANIZATIONAL CHART



September 2018

**Board of Directors and Officers**

Charles Touhey  
*Chairman*

Samuel Wells  
*Secretary*

Todd Curley  
*Director*

David Traynham  
*Vice Chair*

Philip Calderone  
*Director*

Chris Spencer  
*Director*

Natisha Alexander  
*Treasurer*

Jeff Collett  
*Director*

Eugene Napierski, Esq.  
*Director*

**Corporation Staff**

Adam Zaranko  
*Executive Director*

Charlotte O'Connor  
*Neighborhood Planning & Program Coordinator*

Amanda Wyckoff  
*Director of Operations*

Virginia Rawlins, LISC AmeriCorps  
*Housing Services Counselor*

Irvin Ackerman  
*Real Estate Sales & Assistant Property Manager*

Andrea Gross  
*Receptionist*

Erica Ganns  
*Office Manager*

Zachary Kogut  
*Receptionist*

**Corporation Counsel**

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

**Corporation Accountants**

Bowers & Company CPAs

**Corporation Auditor**

The Bonadio Group

**Board Committee and Membership**

Governance Committee: David Traynham, Charles Touhey

Acquisition & Disposition Committee: Natisha Alexander, Jeffery Collett, Todd Curley, David Traynham, Charles Touhey, Sam Wells

Finance Committee: David Traynham, Charles Touhey, Natisha Alexander

Audit Committee: Todd Curley, Samuel Wells, Catherine Hedgeman (volunteer)



### **Compensation Schedule**

One managerial employees employed by the Corporation was compensated in excess of one-hundred thousand dollars (\$100,000.00) in 2017/2018: Adam Zaranko, Executive Director (\$107,000).

### **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, 2018. 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.