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COUNTY OF ERIE

MARK C. POLONCARZ

COUNTY EXECUTIVE

GA

February 14, 2012

Erie County Legislature
92 Franklin Street, 4th Floor
Buffalo, New York 14202

Re: OPEN ITEM / PLACEHOLDER — LAND BANK AUTHORIZATION

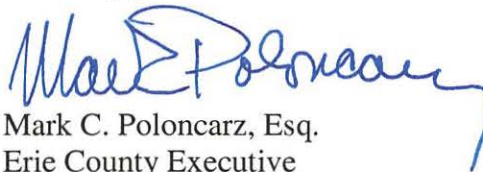
Dear Honorable Members:

Enclosed please find a suggested resolution and accompanying memorandum regarding establishment of an open item/placeholder on the agenda of the Legislature's Government Affairs Committee, relative to the following item:

- Land Bank Authorization

Should your honorable body require further information, I encourage you to contact Maria Whyte, Commissioner, Department of Environment and Planning. Thank you for your consideration on this matter.

Sincerely yours,


Mark C. Poloncarz, Esq.
Erie County Executive

MCP/cw
Enclosure

cc: Maria R. Whyte, Commissioner, Department of Environment and Planning

3E-23

MEMORANDUM

To: Honorable Members of the Erie County Legislature
From: Department of Environment and Planning
Re: Open Item/Placeholder — Land Bank Authorization
Date: February 14, 2012

SUMMARY

The Erie County Executive is exploring the possibility of submitting an application to New York State's Empire State Development Corporation for establishment of a land bank pursuant to the authority established under Article 16 of the Not-for-Profit Corporation Law. Applications are due March 30, 2012 and include a variety of documents requiring Legislative approval. In order to satisfy this strict time deadline, it is requested that an open item be placed on the agenda of the Government Affairs Committee. This will expedite the process.

FISCAL IMPLICATIONS

There are no County funds involved with this open item.

REASONS FOR RECOMMENDATION

This open item will expedite the approval process and assist Erie County in satisfying the application submittal deadlines.

BACKGROUND INFORMATION

As the foreclosing government unit for the towns and villages within the County, Erie County has been looked to for leadership in addressing the issue of tax delinquent, foreclosed, vacant, and abandoned properties. Currently, there are 73,360 tax liens within Erie County with more than \$53,529,325 in taxes owed to Erie County. These properties, in addition to having a negative impact on County and municipal finances, have negative economic and physical impacts to adjacent properties and neighborhoods. A land bank would support Erie County's efforts to address the county-wide issue of tax delinquent, foreclosed, vacant, and abandoned properties by providing an effective means for returning these properties back to productive use.

CONSEQUENCES OF NEGATIVE ACTION

If the County and any and all interested municipalities do not submit an application during this round, the potential exists for not being awarded a land bank. The land bank law will allow for the authorization of only 10 land banks in the entire state and the first round of awards under applications due March 30, 2012 could result in five (5) land banks. That would mean that future rounds will be highly competitive with some applicants not being awarded a land bank. There are expected to be land bank applications from other counties in our region, making it important that Erie County submit an application and not fall victim to geographic issues in the selection process.

STEPS FOLLOWING APPROVAL

Once the approval to establish an open item is provided, the Department of Environment and Planning will prepare the additional requisite documents requiring Legislative approval and present them to the Committee for action.

**A RESOLUTION SUBMITTED BY:
DEPARTMENT OF ENVIRONMENT AND PLANNING**

WHEREAS, the Erie County Department of Real Property Tax Services has determined that there are in excess of 73,360 tax liens within Erie County with more than \$53,529,325 in taxes owed to Erie County; and

WHEREAS, this situation is particularly grave in the City of Buffalo and some of the municipalities that adjoin Buffalo; and

WHEREAS, Erie County and its member municipalities have recognized the need to address the growing county-wide issue of tax delinquent, vacant, abandoned, and foreclosed properties; and

WHEREAS similar problems exist in many areas of New York State; and

WHEREAS, in July 2011 in recognition of this growing problem, New York State passed the Land Bank Act, as Article 16 of the New York State Not-for-Profit Corporation Law, which authorizes any foreclosing governmental unit (FGU) to create a land bank to return tax delinquent, vacant, abandoned, and foreclosed properties to productive use; and

WHEREAS, county-wide land banks have proven highly successful in Michigan, Ohio, and other regions experiencing growing numbers of problem properties by successfully returning properties to productive use; and

WHEREAS, the founder of the nationally-renowned model and award-winning Genesee County, Michigan Land Bank, Dan Kildee, has urged Erie County to form a land bank and offered his assistance and expertise to Erie County; and

WHEREAS, the County Executive, the Department of Environment and Planning, and Department of Real Property Tax Services are seeking ways to work collaboratively with Erie County Municipalities to address this issue; and

WHEREAS, the newly adopted state law establishes a competitive process to allow municipalities to create land banks but will only permit the formation of 10 land banks throughout New York State, with no more than five land banks being approved with the first round of applications due March 30, 2012; and

WHEREAS, it is likely that applications that combine the major municipalities with the largest amount of delinquent properties in a county into a single land bank will have a more competitive application; and

WHEREAS, Erie County intends to work with all cities, towns, and villages to determine if, and in what way, a land bank should be structured.

NOW, THEREFORE, BE IT

RESOLVED, that Erie County, in partnership with the Erie County Legislature and any and all Erie County municipalities, desires to explore the potential to create a county-wide land bank; and be it further

RESOLVED, that the Erie County legislature recognizes the importance of addressing tax delinquent, foreclosed, vacant, and abandoned properties and hereby agrees to engage with Dan Kildee and Erie County municipalities to explore the formation of a land bank, as well as the development and submission of a land bank application to Empire State Development; and be it further

RESOLVED, that an Open Item be established in the Government Affairs Committee of this Legislature for the purpose of considering prerequisite resolutions pertaining to the submission of a land bank application; and be it further

RESOLVED, that copies of this resolution shall be forwarded to the County Executive; the Commissioner of the Department of Environment and Planning; the Director of the Department of Real Property Tax Services; the County Comptroller; the County Attorney; and the Director of the Division of Budget and Management.