Buffalo Erie Niagara Land Improvement Corporation

95 Franklin Street, 10th Floor
Buffalo, New York 14202
(716) 858-4809

www.benlic.org

Jocelyn E. Gordon, Executive Director
Board of Directors

- Maria R. Whyte, Chair
- Brendan R. Mehaffy, Vice Chair
- Joseph L. Maciejewski, Treasurer
- Frank E. Krakoswki, Secretary
- Timothy A. Ball
- James Comerford, Jr.
- Joseph M. Hogenkamp
- Christina Orsi
- Donna J. Estrich
- David P. Comerford
- Michael A. Siragusa

2014 Board Committees & Membership

Audit:
- Donna J. Estrich
- Joseph Hogenkamp
- Michael A. Siragusa

Governance:
- Timothy A. Ball
- Brendan R. Mehaffy
- Michael A. Siragusa

Staff

- Executive Director, Jocelyn E. Gordon
- Assistant Program Coordinator, Alex Carducci

Fiscal Year 2014 Meeting Attendance

Fiscal Year remained as Calendar Year in 2014 as determined by the Board of Directors.

January 17, 2014

Board Members Present: Maria R. Whyte, Brendan R. Mehaffy, Frank E. Krakowski, Timothy A. Ball, David Comerford, James Comerford, Jr., Joseph Hogenkamp, Donna J. Estrich, Michael Siragusa, Joseph L. Maciejewski

Board Member(s) Excused: Christina Orsi

February 28, 2014

Board Members Present: Maria R. Whyte, Brendan R. Mehaffy, Frank E. Krakowski, Timothy A. Ball, David Comerford, James Comerford, Jr., Donna J. Estrich, Michael Siragusa, Joseph L. Maciejewski, Joseph Hogenkamp

Board Member(s) Absent: Christina Orsi

March 21, 2014

Board Member(s) Excused: Maria R. Whyte, Joseph L. Maciejewski

April 11, 2014

Board Members Present: Maria R. Whyte, Brendan Mehaffy, Joseph Hogenkamp, Joseph L. Maciejewski, Michael Siragusa, Donna J. Estrich, Timothy Ball

Board Member(s) Excused: Christina Orsi, Frank E. Krakowski, James Comerford Jr., David Comerford

May 16, 2014

Board Members Present: Maria R. Whyte, David Comerford, Joseph Hogenkamp, Joseph L. Maciejewski, Christina Orsi, James Comerford Jr., Timothy Ball, Frank E. Krakowski, Donna J. Estrich

Board Member(s) Excused: Brendan R. Mehaffy, Michael Siragusa

June 20, 2014

Board Members Present: Maria R. Whyte, Brendan R. Mehaffy, Frank E. Krakowski, David Comerford, Joseph Hogenkamp, Joseph L. Maciejewski, James Comerford Jr., Timothy Ball, Michael Siragusa

Board Member(s) Excused: Donna J. Estrich, Christina Orsi

July 18, 2014

Board Members Present: Maria R. Whyte, David Comerford, Joseph Hogenkamp, Joseph L. Maciejewski, James Comerford Jr., Donna J. Estrich, Brendan R. Mehaffy, Michael Siragusa, Christina Orsi, Frank E. Krakowski, Timothy Ball

Board Member(s) Excused: NONE

September 19, 2014

Board Members Present: Maria R. Whyte, Frank E. Krakowski, Timothy A. Ball, David Comerford, James Comerford, Jr., Joseph Hogenkamp, Donna J. Estrich, Michael Siragusa, Joseph L. Maciejewski, Christina Orsi

Board Member(s) Excused: Brendan R. Mehaffy

October 17, 2014

Board Members Present: Maria R. Whyte, David Comerford, Joseph L. Maciejewski, Michael Siragusa, Brendan Mehaffy, Timothy Ball, James Comerford Jr, Frank Krakowski, Joseph Hogenkamp, Donna Estrich

Board Member(s) Excused: Christina Orsi

December 12, 2014

Board Members Present: Maria R. Whyte, Brendan Mehaffy, Christina Orsi, David Comerford, Joseph L. Maciejewski, Timothy Ball, James Comerford Jr., Joseph Hogenkamp, Donna Estrich
Compensation Schedule

There were no managerial employees employed by the Corporation who were compensated in excess of one-hundred thousand dollars ($100,000) in fiscal year 2014.

Board Members Evaluation

Appendix A

Corporation Organizational Chart

Reporting to the Cities of Buffalo, Lackawanna, Tonawanda and the County of Erie

The Buffalo Erie Niagara Land Improvement Corporation was created by an intermunicipal agreement under the New York State Land Bank Act, and makes its required annual report, as required by that law, to all constituent foreclosing governmental units (FGUs). All directors of the Corporation are ex officio members who are officers or appointees of either the City of Buffalo, the City of Lackawanna, the City of Tonawanda, the County of Erie or the Western New York Regional Office of the Empire State Development Corporation.

Mission Statement and Measurement Report
The Buffalo Erie Niagara Land Improvement Corporation (BENLIC) seeks to confront and alleviate the problems distressed properties cause to communities by supporting municipal and regional revitalization efforts and strategically acquiring, improving assembling and selling vacant, distressed, abandoned, and tax-delinquent properties.


See Appendix B for Measurement Report

Corporate Purpose

As contained within BENLIC’s Certificate of Incorporation:

The purposes for which the Corporation is formed are the following:

(a) To confront and alleviate the problems caused by vacant, abandoned, tax-delinquent and tax foreclosed properties and to turn vacant spaces into vibrant places in Erie County.

(b) To lessen the burdens on the governments of Erie County of acquiring and maintaining vacant, abandoned, tax-delinquent, and tax foreclosed properties.

(c) To combat community deterioration and urban decay caused by vacant, abandoned, tax-delinquent, and tax foreclosed properties by taking remedial action to eliminate the physical, economic and social causes of such deterioration.

(d) To serve as a land bank pursuant to Article 16 (the Land Bank Act) of the Not-for-Profit Corporation law.

(e) To demonstrate the feasibility of a land bank and to encourage both other foreclosing governmental units and non-foreclosing municipalities and school districts to enter into intergovernmental cooperative agreements with the foreclosing governmental units in Erie County and/or the Corporation when they determine it to be in the interest of their residents to do so.

The lawful public objectives which each purpose of the Corporation will serve are to lessen the burdens of government and combat community deterioration by performing those functions permissible under the New York Land Bank Act.

Legislation that Forms the Statutory Basis of the Corporation

- Section 1600 of the State of New York Not-for-Profit Corporation Law – Appendix C
- Intermunicipal Agreement (between County of Erie, The City of Buffalo, The City of Lackawanna, The City of Tonawanda) – Appendix D
- Certificate of Resolution (Empire State Development) – Appendix E

Bylaws

Appendix F

Units or Subsidiaries of the Corporation

The Corporation had no units or subsidiaries in fiscal year 2014.

Operations Summary:

- An eleven (11) member board governs the Corporation, all board members serve ex officio:
  1. The Commission of Administration and Finance, Policy and Urban Affairs for the City of Buffalo
  2. The Executive Director of Strategic Planning of the City of Buffalo
3. The Commissioner of Permit and Inspection Services of the City of Buffalo
4. The Corporation Counsel of the City of Buffalo
5. The General Manager of the Buffalo Sewer Authority
6. The Commissioner of Environment and Planning of the County of Erie
7. The Director of Real Property Services of the County of Erie
8. The County Attorney of Erie County
9. The City Assessor of the City of Lackawanna
10. The City Treasurer of the City of Tonawanda
11. The Western New York Regional Director of the Empire State Development Corporation

- The City of Buffalo and the County of Erie continued to provide staff support as an in-kind contribution throughout 2014.
- The Erie County Attorney is Counsel to the Corporation; as allowed by the Certificate of Incorporation, the County Attorney continued to assign Assistant County Attorney, Martin Polowy, as a deputy, to advise and represent the Corporation in 2014.
- BENLIC continued to retain legal counsel with Mosey Persico, LLP, an Erie County vendor and a WBE, in 2014 for the purposes of assisting the corporation with conducting judicial tax certificate foreclosures, closings and properly bidding on properties at tax foreclosure auctions.
- BENLIC retained an independent auditor in February 2015 for fiscal year-ending 2014. The cost for auditor services was paid for by the Corporation. The audited financial statements for fiscal year 2014 are available on the Corporation’s website at www.benlic.org.
- BENLIC acquired fifteen (15) properties via municipal tax-foreclosure public auctions (through the 2014 In Rem auctions of Erie County, City of Lackawanna and City of Tonawanda), acquired one (1) property via donation (REO donation, via Wells Fargo Bank), and acquired one (1) property via “judicial foreclosure” – BENLIC commenced foreclosure proceedings on a tax certificate held in its name, proceeded to hold a foreclosure auction for the property and acquired the property via use of its preferred bid power at the same auction.
- BENLIC disposed of one (1) property in 2014 – one (1) single-family residence
- There were ten public meetings of the Board of Directors of the Corporation in fiscal year 2014.

2014 Accomplishments

Search and Hire Staff

Upon receipt of the Office of the Attorney General’s Community Revitalization Initiative Grant Award in late 2013, the Corporation began a search for its first Executive Director. In 2014 the Corporation hired its first Executive Director, Jocelyn E. Gordon. In mid-2014, the Corporation began a search for an Assistant Program Coordinator. In July of 2014, Alex Carducci was hired as Assistant Program Coordinator. Both positions are entirely funded by the CRI award funds, rounds one and two.
Request for Foreclosure Process – Complete Cycle

The Corporation’s Request for Foreclosure (RFF) process is a unique method for soliciting and evaluating tax-delinquent and distressed properties throughout all municipalities in Erie County. In 2014, the Corporation received and reviewed 16 submissions through the RFF process. The Corporation received and reviewed requests of five (5) additional late-term property submissions. Of the 21 total submissions, the Corporation acquired 15 properties through public In Rem auctions: 11 through Erie County’s In Rem 162, three (3) through the City of Tonawanda’s In Rem auction 2014, and one (1) through the City of Lackawanna’s In Rem auction 2014.

In the second half of 2014, the Corporation initiated the RFF-2015 process for eligible tax-delinquent properties to be acquired in 2015. Corporation staff reached out to a significantly larger body of municipal leaders for submissions. Two Orientation Sessions were held to explain the abilities and functions of a NYS Land Bank such as BENLIC and to demonstrate the RFF process to attendees in detail. In addition to property acquisition – as made possible through the 2nd Round of the Office of the Attorney General’s CRI Program – the Corporation allowed submissions of property that the municipality considered fit for demolition. The Corporation received and reviewed eighteen (18) properties through the RFF-2015 process: the Corporation plans to acquire and rehabilitate ten (10) of the total submissions and plans to work to demolish at least six properties. The City of Lackawanna in 2014 planned to acquire two properties in its own auction and transfer to BENLIC for the purposes of rehabilitating and reselling, for demolitions in 2015, the City prepared a short list of property for the Corporation. Although the City did not directly participate in the RFF process, the submissions followed appropriate procedure by the Corporation’s Rules and Procedures and BENLIC considered the submissions at the same time and with the same weight during its evaluation and selection process.

Community Revitalization Initiative (CRI) Grant Program Round 2

In 2014 the Corporation submitted a second application to the New York State Attorney General’s Office for a Community Revitalization Initiative grant. A grant award was made to the Corporation in October 2014. The Office of the Attorney General (OAG) awarded BENLIC a total of $2,500,000; this was the highest sum awarded to any existing Land Bank in the Round Two campaign. The Award included: $930,000 for residential rehabilitations throughout Erie County, $450,000 for residential rehabilitations in the City of Buffalo, $203,766.30 for demolition services in the County (including towns and villages and the City of Tonawanda), $678,186.30 for demolition services in the City of Buffalo, $68,046.40 for demolition services in the City of Lackawanna and $170,000 for continued staffing.

Administrative Activities

- In March 2014, the Board re-elected its officers – Maria Whyte, Chair; Brendan Mehaffy, Vice-Chair; Joseph Maciejewski, Treasurer; Frank Krakowski, Secretary

- The following policies were approved by the BENLIC Board during the 2014 fiscal year:
  - Proceeds Distribution / Tax Re-Capture policy for In Rem 162 and County Liens Transferred to BENLIC in 2014 Only – approved as to the City of Lackawanna, the City of Tonawanda and the County of Erie
  - Compensation, Reimbursement and Attendance of Board Members Policy
  - Defense and Indemnification Policy
  - Investment Policy
  - Travel Policy
  - “Pay-it-Forward” Policy

- The following policies were revised and approved by the BENLIC Board during the 2014 fiscal year:
  - Procurement Policy
The By-laws and Rules and Procedures of the Corporation were approved in fiscal year 2012. Ethics/ Conflicts of Interest, Open Meetings Law, Freedom of Information Law and Procurement policies were adopted in fiscal year 2012.

- In May of 2014 the Board created a Personnel Committee to address hiring, retirement and employee benefits.

All Corporation board members participated in the NYS Authorities Budget Office Board Member Training as required by the Public Authorities Accountability Act.

**Fiscal Year 2014 Financial Report**

The Public Authority Accountability Act of 2005 (PAAA) as amended in 2009 is designed to ensure greater efficiency and accountability for New York’s public authorities. Among the requirements of the PAAA is the preparation of an annual report that is to contain specified information. This section of the Agency Annual Report summarizes the financial information required by the PAAA.

### SUMMARY STATEMENT OF NET ASSETS

#### Assets

**Current Assets**
- Cash and cash equivalents: $711,457.00
- Investments: 0.00
- Receivables, net: 0.00
- Other assets: 0.00
**Total Current Assets**: 711,457.00

**Noncurrent Assets**
- Restricted cash and investments: 2,944.00
- Long-term receivables, net: 0.00
- Other assets: 223,258.00
**Total Noncurrent Assets**: 226,202.00

**Total Assets**: 937,659.00

#### Liabilities

**Current Liabilities**
- Accounts payable: 509,397.00
- Pension contribution payable: 0.00
- Other post-employment benefits: 0.00
Accrued liabilities 29.00
Deferred revenues 105,387.00
Bonds and notes payable 0.00
Other long-term obligations due within one year 0.00
Total Current Liabilities 614,813.00

Noncurrent Liabilities
Pension contribution payable 0.00
Other post-employment benefits 0.00
Bonds and notes payable 0.00
Long term leases 0.00
Other long-term obligations 102,171.00
Total Noncurrent Liabilities 102,171.00

Total Liabilities 716,984.00

Net Asset (Deficit)
Net Assets
Invested in capital assets, net of related debt 0.00
Restricted 2,944.00
Unrestricted 217,731.00

Total Net Assets $220,675.00

SUMMARY STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET ASSETS

Operating Revenues
Charges for services $0.00
Rental & financing income 0.00
Other operating revenues 119,211.00

Total Operating Revenue 119,211.00

Operating Expenses
Salaries and wages 93,559.00
Other employee benefits 6,563.00
Professional services contracts 10,261.00
Supplies and materials 260.00
Depreciation & amortization 0.00
Other operating expenses 992,441.00
Total Operating Expenses 1,103,084.00

Operating Income (Loss) (983,873.00)

Nonoperating Revenues
- Investment earnings 212.00
- State subsidies/grants 1,111,135.00
- Federal subsidies/grants 0.00
- Municipal subsidies/grants 0.00
- Public authority subsidies 0.00
- Other nonoperating revenues 790.00

Total Nonoperating Revenue 1,112,137.00

Nonoperating Expenses
- Interest and other financing charges 0.00
- Subsidies to other public authorities 0.00
- Grants and donations 0.00
- Other nonoperating expenses 2,832.00

Total Nonoperating Expenses 2,832.00

Income (Loss) Before Contributions 125,432.00

Capital Contributions 0.00

Change in net assets 125,432.00
Net assets (deficit) beginning of year 95,243.00
Other net assets changes 0.00

Net assets (deficit) at end of year 220,675.00

Financial Plan

Appendix G

Bonds

The Corporation has issued no bonds.

Grants and Subsidy Programs
The Corporation has no grant and subsidy programs.

**Operating and Financial Risks**

The Corporation currently has no operating or financial risks.

**Long Term Liabilities**

The Corporation has no long-term liabilities.

**Real Property Schedule**

*See Appendix H for Annual Real Property FY 2014.*

**Description of Pending Litigation**

The Corporation was not involved as a party to any litigation in fiscal year 2014.

**Description of the total amounts of assets, services or both – bought or sold without competitive bidding**

*Appendix I – Procurement Report*

**Investment Report**

*Appendix J*
## Summary Results of Confidential Evaluation of Board Performance

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Agree</th>
<th>Somewhat Agree</th>
<th>Somewhat Disagree</th>
<th>Disagree</th>
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<tbody>
<tr>
<td>Board members have a shared understanding of the mission and purpose of the Authority.</td>
<td>9</td>
<td>2</td>
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<td>The policies, practices and decisions of the Board are always consistent with this mission.</td>
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<td>Board members comprehend their role and fiduciary responsibilities and hold themselves and each other to these principles.</td>
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<td>The Board has adopted policies, by-laws, and practices for the effective governance, management and operations of the Authority and reviews these annually.</td>
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<td>The Board sets clear and measurable performance goals for the Authority that contribute to accomplishing its mission.</td>
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<td>The decisions made by Board members are arrived at through independent judgment and deliberation, free of political influence or self-interest.</td>
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<td>Individual Board members communicate effectively with executive staff so as to be well informed on the status of all important issues.</td>
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<td>Board members are knowledgeable about the Authority’s programs, financial statements, reporting requirements, and other transactions.</td>
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<td>The Board meets to review and approve all documents and reports prior to public release and is confident that the information being presented is accurate and complete.</td>
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<td>The Board knows the statutory obligations of the Authority and if the Authority is in compliance with state law.</td>
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<td>Board and committee meetings facilitate open, deliberate and thorough discussion, and the active participation of members.</td>
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<td>Board members have sufficient opportunity to research, discuss, question and prepare before decisions are made and votes taken.</td>
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<td>Individual Board members feel empowered to delay votes, defer agenda items, or table actions if they feel additional information or discussion is required.</td>
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<td>The Board exercises appropriate oversight of the CEO and other executive staff, including setting performance expectations and reviewing performance annually.</td>
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<td>The Board has identified the areas of most risk to the Authority and works with management to implement risk mitigation strategies before problems occur.</td>
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<td>Board members demonstrate leadership and vision and work respectfully with each other.</td>
<td>8</td>
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</table>

Name of Authority: [REDACTED]

Date Completed: 3/26/15
Mission Statement: the Buffalo Erie Niagara Land Improvement Corporation (BENLIC) seeks to confront and alleviate the problems distressed properties cause to communities by supporting municipal and regional revitalization efforts and strategically acquiring, improving, assembling and selling distressed, vacant, abandoned and and/or tax-delinquent properties.

❖ Return distressed, vacant, abandoned and/or tax-delinquent property to productive use.

*The Corporation obtained and holds clear title on all of its property:*

a. Acquired eleven (11) tax-delinquent and tax-foreclosed properties using the preferred bid power of the Corporation at the County’s In Rem auction 162, including three (3) single-family residential properties and eight (8) vacant lots.

i. The Corporation began rehabilitating two (2) of the single-family residential structures in Erie County (Town of Amherst and Village of Sloan) in 2014 as part of the Corporation’s Round 1 Community Revitalization Initiative (CRI) grant award from the New York State Office of the Attorney General (OAG). Rehabilitation will continue through 2014 and 2015, and the properties will be resold to low-moderate income persons.

ii. The Corporation sold one (1) of the single-family residential structures in 2014 to the Town of Amherst. The Corporation “capped” the Town’s CDBG property acquisition fund – the Corporation acquired the property using its “trump bid” power, the property was then conveyed to the Town at the amount of the back tax. Without the Corporation’s efforts the price for the property may have inflated beyond the Town’s constrained acquisition resources.
iii. Five (5) of the vacant lots acquired will be sold to the Town of Tonawanda. Another vacant lot acquired in 2013 will be sold as well. The six (6) total lots will be “land-banked” by the Town itself. The Corporation covered the carrying costs for the property with OAG “Side Lot” program funds.

iv. One (1) of the vacant lots acquired was conveyed to the Town of Colden for the nominal sum of $1.00. The Town agreed to use the property to expand its military park. The Corporation covered the carrying costs for the property with OAG “Side Lot” program funds.

v. The Corporation plans to dispose of two (2) of the vacant lots to private parties. One property’s carrying costs are being covered with OAG “Side Lot” program funds, the other with BENLIC funds.

b. Acquired three (3) tax-delinquent properties using the preferred bid power of the Corporation at the City of Tonawanda’s 2014 In Rem auction, including three (3) single-family residential properties.

i. The Corporation began rehabilitating three (3) of the single-family residential structures in the City of Tonawanda in 2014 as part of the Corporation’s Round 1 Community Revitalization Initiative (CRI) grant award from the New York State Office of the Attorney General (OAG). Rehabilitation will continue through 2014 and 2015, and the properties will be resold to low-moderate income persons.

c. Acquired one (1) tax-delinquent property using the preferred bid power of the Corporation at the City of Lackawanna’s 2014 In Rem auction – a single-family residential property.

i. The Corporation began rehabilitating one (1) single-family residential in the City of Lackawanna in 2014 as part of the Corporation’s Round 1 Community Revitalization Initiative (CRI) grant award from the New York State Office of the Attorney General.
(OAG). Rehabilitation will continue through 2014-2015, and the properties will be resold to low-moderate income persons.

d. Acquired one (1) vacant and abandoned property via REO (Real Estate Owned) bank donation, a double-family property.
   i. The Corporation rehabilitated the property using a portion of the cash donation received as part of the donating bank’s donation agreement and is set to make more repairs on the property.

e. Acquired one (1) tax-delinquent property via internal “judicial foreclosure” process.
   i. As part of its 2013 PILOT project, the Corporation received from Erie County three (3) tax certificates. With such tax certificates, the Corporation itself may act as a foreclosing governmental unit and commence foreclosure proceedings on the property. The foreclosure of one (1) property was completed and the Corporation acquired at its own public auction the property. The cost of foreclosure was born by the Town of Cheektowaga. The Corporation intends to dispose of the property to a private owner.

f. Disposed of one (1) formerly tax-delinquent property to a private person in late 2014. The Corporation as part of its 2013 PILOT project acquired at County In Rem auction the property of 39 Fowler Avenue. The Corporation explored a variety of options to repair the property in 2014, including obtaining estimates for a full rehabilitation, partial stabilization repair and a structural review. The Corporation’s Board of Directors determined that sale “as-is” remained the only viable option to return the property to productive use beyond demolition of the property. The Corporation received an offer for the property in its condition. The offeror prepared a Property Purchase Application which was reviewed by the Board of Directors. The Board determined that sale of the property in “as-is” condition to a prospective purchaser – deemed responsible and fit
by the Board- would be in-line with the Corporation’s mission. The Corporation disposed of the property in late 2014 – this marked the first real property disposition by the Corporation.

- **Enhance the quality of life within neighborhoods**
  
  **a.** Prior to property acquisition in 2014, disposition plans – prepared by the municipality, for every property – were received by the Corporation. The disposition plans reflect the goals of the municipality with respect to the various properties and their neighborhoods. Property was selected for acquisition by the Corporation in part for its effect on the quality of life within neighborhoods upon return to productive use.

  **b.** The Corporation began rehabilitating eight (8) properties in 2014. These properties are blighting proximate property and neighborhoods at-large. A property’s rehabilitation will increase its value and improve neighborhood perception. Many of the Corporation’s rehabilitation projects are nestled between or amongst otherwise properly-maintained properties; it is expected that rehabilitating this sort of property will provide the highest positive neighborhood externalities.

- **Actualize, stabilize and grow the value of the real property tax base**
  
  **a.** Sixteen (16) properties were cleared of the back tax amounts of approximately $1.25 million in 2014. After disposition of a property, a portion of the proceeds will be payed to Erie County, the City of Tonawanda, the City of Lackawanna, and the participating municipalities for expenses incurred for the foreclosure of the property and any maintenance of the property.

  **b.** Properties undergoing rehabilitation by the Corporation or otherwise improved will likely see their assessment increase, providing for a growth in the value of the real property tax base.

  **c.** Disposition guidelines of the Corporation function to responsibly return property to productive use to owners / interests that will improve, maintain, make code-compliant and safe, and keep conveyed property from returning to its formerly distressed, vacant, abandoned and/ or tax-delinquent status.
Provide economic growth, encourage economic opportunities

Education and Outreach is conducted continually throughout Erie County during the course of the year. Each town and village in Erie County received an annual notification of properties “ripe” for foreclosure which is interpreted as at least three years behind in tax liens. These properties are considered Land Bank candidates. BENLIC conducts training sessions, presentations, and one on one visits to municipal leaders. These sessions are intended to perform participants as to the benefits of Land Bank participation, the economic opportunities the Land Bank offers, and the value of returning vacant, abandoned structures to productive use.

Lessen the burden on local government

a. The Corporation completely insured and secured its property in its name.

b. Funding through the OAG’s Round CRI program allowed for fifty-five (55) demolitions in the City of Buffalo and seven (7) demolitions in the City of Lackawanna. Cost of these demolitions amounted to $1.1 million. All property was reviewed by the State Historic Preservation Board prior to demolition. All property was vacant and abandoned: such property is more probably suspect to criminal activity, therefore its demolition and removal constitutes a reduction in the probability of crime within a neighborhood.

Build Organization Capacity

a. A grant for $2.5 million was awarded the Corporation by the New York State Office of the Attorney General under that Office’s Community Revitalization Initiative in 2014 under the Second Round of the OAG’s CRI program. The award will bolster the OAG’s 2013 grant award (effective 2014-2015) to include more projects in 2015 and 2016 and administrative capacity in 2016.
b. Erie County Department of Environment and Planning (DEP) continued to provide excellent in-kind staff services through the work of the department’s Deputy Commissioner and Senior Housing Inspector. Corporation staff works daily with DEP’s Senior Housing Inspector to plan, develop, coordinate, review, approve and verify repairs and improvements to the Corporation’s residential rehabilitation projects. A number of practices have been implemented under this cooperation in 2014 that will serve to improve the Corporation’s rehabilitation projects in years to come.
§ 1600. Short title

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

§ 1601. Legislative intent

The legislature finds and declares that New York's communities are important to the social and economic vitality of the state. Whether urban, suburban, or rural, many communities are struggling to cope with vacant, abandoned, and tax-delinquent properties.

There exists a crisis in many cities and their metro areas caused by disinvestment in real property and resulting in a significant amount of vacant and abandoned property. For example, Cornell Cooperative Extension Association of Erie county estimates that the city of Buffalo has thirteen thousand vacant parcels, four thousand vacant structures and an estimated twenty-two thousand two hundred ninety vacant residential units. This condition of vacant and abandoned property represents lost revenue to local governments and large costs ranging from demolition, effects of safety hazards and spreading deterioration of neighborhoods including resulting mortgage foreclosures.

The need exists to strengthen and revitalize the economy of the state and its local units of government by solving the problems of vacant and abandoned property in a coordinated manner and to foster the development of such property and promote economic growth. Such problems may include multiple taxing jurisdictions lacking common policies, ineffective property inspection, code enforcement and property rehabilitation support, lengthy and/or inadequate foreclosure proceedings and lack of coordination and resources to support economic revitalization.

There is an overriding public need to confront the problems caused by vacant, abandoned and tax-delinquent properties through the creation of new tools to be available to communities throughout New York enabling them to turn vacant spaces into vibrant places.

Land banks are one of the tools that can be utilized by communities to facilitate the return of vacant, abandoned, and tax-delinquent properties to productive use. The primary focus of land bank operations is the acquisition of real property that is tax delinquent, tax foreclosed, vacant, abandoned, and the use of tools authorized in this article to eliminate the harms and liabilities caused by such properties.

§ 1602. Definitions

The following words and phrases when used in this article shall have the meanings given to them in this section unless the context clearly indicates otherwise:

(a) "board of directors" or "board" shall mean the board of directors of a land bank;

(b) "land bank" shall mean a land bank established as a type C not-for-profit corporation under this chapter and in accordance with the provisions of this article and pursuant to this article;
(c) "foreclosing governmental unit" shall mean "tax district" as defined in subdivision six of section eleven hundred two of the real property tax law;

(d) "municipality" shall mean a city, village, town or county other than a county located wholly within a city;

(e) "school district" shall mean a school district as defined under the education law; and

(f) "real property" shall mean lands, lands under water, structures and any and all easements, air rights, franchises and incorporeal hereditaments and every estate and right therein, legal and equitable, including terms for years and liens by way of judgment, mortgage or otherwise, and any and all fixtures and improvements located thereon.

§ 1603. Creation and existence

(a) Any foreclosing governmental unit may create a land bank by the adoption of a local law, ordinance, or resolution as appropriate to such foreclosing governmental unit which action specifies the following:

1. the name of the land bank;

2. the number of members of the board of directors, which shall consist of an odd number of members, and shall be not less than five members nor more than eleven members;

3. the initial individuals to serve as members of the board of directors, and the length of terms for which they are to serve;

4. the qualifications, manner of selection or appointment, and terms of office of members of the board; and

5. the articles of incorporation for the land bank, which shall be filed with the secretary of state in accordance with the procedures set forth in this chapter.

(b) Two or more foreclosing governmental units may enter into an intergovernmental cooperation agreement which creates a single land bank to act on behalf of such foreclosing governmental units, which agreement shall be authorized by and be in accordance with the provisions of paragraph (a) of this section. Such inter-governmental agreement shall include provisions for dissolution of such land bank.

(c) Any foreclosing governmental units and any municipality may enter into an intergovernmental cooperation agreement which creates a single land bank to act on behalf of such foreclosing governmental unit or units and municipality, which agreement shall be authorized by and be in accordance with the provisions of paragraph (a) of this section. Such intergovernmental agreement shall include provisions for dissolution of such land bank.

(d) Except when a land bank is created pursuant to paragraph (b) or (c) of this section, in the event a county creates a land bank, such land bank shall have the power to acquire real property only in
those portions of such county located outside of the geographical boundaries of any other land bank created by any other foreclosing governmental unit located partially or entirely within such county.

(e) A school district may participate in a land bank pursuant to an intergovernmental cooperation agreement with the foreclosing governmental unit or units that create the land bank, which agreement shall specify the membership, if any, of such school district on the board of directors of the land bank, or the actions of the land bank which are subject to approval by the school district.

(f) Each land bank created pursuant to this act shall be a type C not-for-profit corporation, and shall have permanent and perpetual duration until terminated and dissolved in accordance with the provisions of section sixteen hundred thirteen of this article.

(g) Nothing in this article shall be construed to authorize the existence of more than ten land banks located in the state at one time, provided further that each foreclosing governmental unit or units proposing to create a land bank shall submit such local law, ordinance or resolution as required by paragraph (a) of this section, to the urban development corporation, for its review and approval. The creation of a land bank shall be conditioned upon approval of the urban development corporation.

(h) The office of the state comptroller shall have the authority to audit any land bank pursuant to this article.

§ 1604. Applicability of New York law

This article shall apply only to land banks created pursuant to this article.

§ 1605. Board of directors

(a) (1) The initial size of the board shall be determined in accordance with section sixteen hundred three of this article. Unless restricted by the actions or agreements specified in section sixteen hundred three of this article, the provisions of this section shall apply.

(2) The size of the board may be adjusted in accordance with by-laws of the land bank.

(b) In the event that a land bank is created pursuant to an intergovernmental agreement in accordance with section sixteen hundred three of this article, such intergovernmental cooperation agreement shall specify matters identified in paragraph (a) of section sixteen hundred three of this article; provided, however, that each foreclosing governmental unit shall have at least one appointment to the board.

(c) Any public officer shall be eligible to serve as a board member and the acceptance of the appointment shall neither terminate nor impair such public office. For purposes of this section, "public officer" shall mean a person who is elected to a municipal office. Any municipal employee or appointed officer shall be eligible to serve as a board member.
(d) The members of the board of directors shall select annually from among themselves a chairman, a vice-chairman, a treasurer, and such other officers as the board may determine, and shall establish their duties as may be regulated by rules adopted by the board.

(e) The board shall establish rules and requirements relative to the attendance and participation of members in its meetings, regular or special. Such rules and regulations may prescribe a procedure whereby, should any member fail to comply with such rules and regulations, such member may be disqualified and removed automatically from office by no less than a majority vote of the remaining members of the board, and that member's position shall be vacant as of the first day of the next calendar month. Any person removed under the provisions of this paragraph shall be ineligible for reappointment to the board, unless such reappointment is confirmed unanimously by the board.

(f) A vacancy on the board shall be filled in the same manner as the original appointment.

(g) Board members shall serve without compensation, shall have the power to organize and reorganize the executive, administrative, clerical, and other departments of the land bank and to fix the duties, powers, and compensation of all employees, agents, and consultants of the land bank. The board may reimburse any member for expenses actually incurred in the performance of duties on behalf of the land bank.

(h) The board shall meet in regular session according to a schedule adopted by the board, and also shall meet in special session as convened by the chairman or upon written notice signed by a majority of the members.

(i) A majority of the members of the board, not including vacancies, shall constitute a quorum for the conduct of business. All actions of the board shall be approved by the affirmative vote of a majority of the members of that board present and voting; provided, however, no action of the board shall be authorized on the following matters unless approved by a majority of the total board membership:

(1) adoption of by-laws and other rules and regulations for conduct of the land bank’s business;

(2) hiring or firing of any employee or contractor of the land bank. This function may, by majority vote of the total board membership, be delegated to a specified officer or committee of the land bank, under such terms and conditions, and to the extent, that the board may specify;

(3) the incurring of debt;

(4) adoption or amendment of the annual budget; and

(5) sale, lease, encumbrance, or alienation of real property, improvements, or personal property.

(j) Members of a board shall not be liable personally on the bonds or other obligations of the land bank, and the rights of creditors shall be solely against such land bank.

(k) Vote by proxy shall not be permitted. Any member may request a recorded vote on any resolution or action of the land bank.
(l) Each director, officer and employee shall be a state officer or employee for the purposes of sections seventy-three and seventy-four of the public officers law.

§ 1606. Staff

A land bank may employ a secretary, an executive director, its own counsel and legal staff, and such technical experts, and such other agents and employees, permanent or temporary, as it may require, and may determine the qualifications and fix the compensation and benefits of such persons. A land bank may also enter into contracts and agreements with municipalities for staffing services to be provided to the land bank by municipalities or agencies or departments thereof, or for a land bank to provide such staffing services to municipalities or agencies or departments thereof.

§ 1607. Powers

(a) A land bank shall constitute a type C not-for-profit corporation under New York law, which powers shall include all powers necessary to carry out and effectuate the purposes and provisions of this article, including the following powers in addition to those herein otherwise granted:

(1) adopt, amend, and repeal bylaws for the regulation of its affairs and the conduct of its business;

(2) sue and be sued in its own name and plead and be impleaded in all civil actions, including, but not limited to, actions to clear title to property of the land bank;

(3) to adopt a seal and to alter the same at pleasure;

(4) to make contracts, give guarantees and incur liabilities, borrow money at such rates of interest as the land bank may determine;

(5) to issue negotiable revenue bonds and notes according to the provisions of this article;

(6) to procure insurance or guarantees from the state of New York or federal government of the payments of any debts or parts thereof incurred by the land bank, and to pay premiums in connection therewith;

(7) to enter into contracts and other instruments necessary to the performance of its duties and the exercise of its powers, including, but not limited to, intergovernmental agreements under section one hundred nineteen-o of the general municipal law for the joint exercise of powers under this article;

(8) to enter into contracts and other instruments necessary to the performance of functions by the land bank on behalf of municipalities or agencies or departments of municipalities, or the performance by municipalities or agencies or departments of municipalities of functions on behalf of the land bank;

(9) to make and execute contracts and other instruments necessary to the exercise of the powers of the land bank; and any contract or instrument when signed by the chairman or vice-chairman of the land bank, or by an authorized use of their facsimile signatures, and by the secretary or assistant secretary, or, treasurer or assistant treasurer of the land bank, or by an authorized use of their facsimile signatures, shall be held to have been properly executed for and on its behalf;
(10) to procure insurance against losses in connection with the real property, assets, or activities of the land bank;

(11) to invest money of the land bank, at the discretion of the board of directors, in instruments, obligations, securities, or property determined proper by the board of directors, and name and use depositories for its money;

(12) to enter into contracts for the management of, the collection of rent from, or the sale of real property of the land bank;

(13) to design, develop, construct, demolish, reconstruct, rehabilitate, renovate, relocate, and otherwise improve real property or rights or interests in real property;

(14) to fix, charge, and collect rents, fees and charges for the use of real property of the land bank and for services provided by the land bank;

(15) to grant or acquire a license, easement, lease (as lessor and as lessee), or option with respect to real property of the land bank;

(16) to enter into partnership, joint ventures, and other collaborative relationships with municipalities and other public and private entities for the ownership, management, development, and disposition of real property;

(17) to inventory vacant, abandoned and tax foreclosed properties;

(18) to develop a redevelopment plan to be approved by the foreclosing governmental unit or units;

(19) to be subject to municipal building codes and zoning laws;

(20) to enter in agreements with a foreclosing governmental unit for the distribution of revenues to the foreclosing governmental unit and school district; and

(21) to do all other things necessary to achieve the objectives and purposes of the land bank or other laws that relate to the purposes and responsibility of the land bank.

(b) A land bank shall neither possess nor exercise the power of eminent domain.

§ 1608. Acquisition of property

(a) The real property of a land bank and its income and operations are exempt from all taxation by the state of New York and by any of its political subdivisions.

(b) The land bank may acquire real property or interests in real property by gift, devise, transfer, exchange, foreclosure, purchase, or otherwise on terms and conditions and in a manner the land bank considers proper.

(c) The land bank may acquire real property by purchase contracts, lease purchase agreements, installment sales contracts, land contracts, and may accept transfers from municipalities upon such terms and conditions as agreed to by the land bank and the municipality. Notwithstanding any other
law to the contrary, any municipality may transfer to the land bank real property and interests in real property of the municipality on such terms and conditions and according to such procedures as determined by the municipality.

(d) The land bank shall maintain all of its real property in accordance with the laws and ordinances of the jurisdiction in which the real property is located.

(e) The land bank shall not own or hold real property located outside the jurisdictions of the foreclosing governmental unit or units which created the land bank; provided, however, that a land bank may be granted authority pursuant to an intergovernmental cooperation agreement with another municipality to manage and maintain real property located within the jurisdiction of such other municipality.

(f) Notwithstanding any other provision of law to the contrary, any municipality may convey to a land bank real property and interests in real property on such terms and conditions, form and substance of consideration, and procedures, all as determined by the transferring municipality in its discretion.

(g) The acquisition of real property by a land bank pursuant to the provisions of this article, from entities other than political subdivisions, shall be limited to real property that is tax delinquent, tax foreclosed, vacant or abandoned; provided, however, that a land bank shall have authority to enter into agreements to purchase other real property consistent with an approved redevelopment plan.

(h) The land bank shall maintain and make available for public review and inspection a complete inventory of all property received by the land bank. Such inventory shall include: the location of the parcel; the purchase price, if any, for each parcel received; the current value assigned to the property for purposes of real property taxation; the amount, if any, owed to the locality for real property taxation; the identity of the transferor; and any conditions or restrictions applicable to the property.

(i) All parcels received by the land bank shall be listed on the received inventory established pursuant to paragraph (h) of this section within one week of acquisition and shall remain in such inventory for one week prior to disposition.

(j) Failure to comply with the requirements in paragraphs (h) and (i) of this section with regard to any particular parcel shall cause such acquisition by the land bank to be null and void.

§ 1609. Disposition of property

(a) The land bank shall hold in its own name all real property acquired by the land bank irrespective of the identity of the transferor of such property.

(b) The land bank shall maintain and make available for public review and inspection a complete inventory of all real property dispositions by the land bank. Such inventory shall include a complete copy of the sales contract including all terms and conditions including, but not limited to, any form of compensation received by the land bank or any other party which is not included within the sale price.

(c) The land bank shall determine and set forth in policies and procedures of the board of directors the general terms and conditions for consideration to be received by the land bank for the transfer of
real property and interests in real property, which consideration may take the form of monetary payments and secured financial obligations, covenants and conditions related to the present and future use of the property, contractual commitments of the transferee, and such other forms of consideration as are consistent with state and local law.

(d) The land bank may convey, exchange, sell, transfer, lease as lessor, grant, release and demise, pledge any and all interests in, upon or to real property of the land bank.

(e) A foreclosing governmental unit may, in its local law, resolution or ordinance creating a land bank, or, in the case of multiple foreclosing governmental units creating a single land bank in the applicable intergovernmental cooperation agreement, establish a hierarchical ranking of priorities for the use of real property conveyed by a land bank including but not limited to:

1. use for purely public spaces and places;
2. use for affordable housing;
3. use for retail, commercial and industrial activities;
4. use as wildlife conservation areas; and
5. such other uses and in such hierarchical order as determined by the foreclosing governmental unit or units.

(f) A foreclosing governmental unit may, in its local law, resolution or ordinance creating a land bank, or, in the case of multiple foreclosing governmental units creating a single land bank in the applicable intergovernmental cooperation agreement, require that any particular form of disposition of real property, or any disposition of real property located within specified jurisdictions, be subject to specified voting and approval requirements of the board of directors. Except and unless restricted or constrained in this manner, the board of directors may delegate to officers and employees the authority to enter into and execute agreements, instruments of conveyance and all other related documents pertaining to the conveyance of real property by the land bank.

(g) All property dispositions shall be listed on the property disposition inventory established pursuant to paragraph (b) of this section within one week of disposition. Such records shall remain available for public inspection in the property disposition inventory indefinitely.

(h) Failure to comply with the requirements in paragraph (g) of this section shall subject the land bank to a civil penalty of one hundred dollars per violation up to a maximum of ten thousand dollars for each parcel, recoverable in an action brought by the attorney general or district attorney. The attorney general or district attorney may also seek rescission of the real property transaction.

§ 1610. Financing of land bank operations
(a) A land bank may receive funding through grants and loans from the foreclosing governmental unit or units which created the land bank, from other municipalities, from the state of New York, from the federal government, and from other public and private sources.

(b) A land bank may receive and retain payments for services rendered, for rents and leasehold payments received, for consideration for disposition of real and personal property, for proceeds of insurance coverage for losses incurred, for income from investments, and for any other asset and activity lawfully permitted to a land bank under this article.

(c) Upon the adoption of a local law, ordinance, or resolution by municipality, school district or any taxing district, fifty percent of the real property taxes collected on any specific parcel of real property identified by such municipality, school district or any taxing jurisdiction may be remitted to the land bank, in accordance with procedures established by regulations promulgated by the department of taxation and finance. Such allocation of real property tax revenues shall commence with the first taxable year following the date of conveyance and shall continue for a period of five years.

§ 1611. Borrowing and issuance of bonds

(a) A land bank shall have power to issue bonds for any of its corporate purposes, the principal and interest of which are payable from its revenues generally. Any of such bonds may be secured by a pledge of any revenues, including grants or contributions from the state of New York, the federal government, or any agency, and instrumentality thereof, or by a mortgage of any property of the land bank.

(b) The bonds issued by a land bank are hereby declared to have all the qualities of negotiable instruments under New York state law.

(c) The bonds of a land bank created under the provisions of this article and the income therefrom shall at all times be free from taxation for the state of New York or local purposes under any provision of New York law.

(d) Bonds issued by the land bank shall be authorized by resolution of the board and shall be limited obligations of the land bank; the principal and interest, costs of issuance, and other costs incidental thereto shall be payable solely from the income and revenue derived from the sale, lease, or other disposition of the assets of the land bank. In the discretion of the land bank, the bonds may be additionally secured by mortgage or other security device covering all or part of the project from which the revenues so pledged may be derived. Any refunding bonds issued shall be payable from any source described above or from the investment of any of the proceeds of the refunding bonds and shall not constitute an indebtedness or pledge of the general credit of any foreclosing governmental unit or municipality within the meaning of any constitutional or statutory limitation of indebtedness and shall contain a recital to that effect. Bonds of the land bank shall be issued in such form, shall be in such denominations, shall bear interest, shall mature in such manner, and be executed by one or more members of the board as provided in the resolution authorizing the issuance thereof. Such bonds may be subject to redemption at the option of and in the manner determined by the board in the resolution authorizing the issuance thereof.
(e) Bonds issued by the land bank shall be issued, sold, and delivered in accordance with the terms and provisions of a resolution adopted by the board. The board may sell such bonds in such manner, either at public or at private sale, and for such price as it may determine to be in the best interests of the land bank. The resolution issuing bonds shall be published in a newspaper of general circulation within the jurisdiction of the land bank.

(f) Neither the members of a land bank nor any person executing the bonds shall be liable personally on any such bonds by reason of the issuance thereof. Such bonds or other obligations of a land bank shall not be a debt of any municipality or of the state of New York, and shall so state on their face, nor shall any municipality or the state of New York nor any revenues or any property of any municipality or of the state of New York be liable therefor.

§ 1612. Public records and public meetings

(a) The board shall cause minutes and a record to be kept of all its proceedings. Except as otherwise provided in this section, the land bank shall be subject to the open meetings law and the freedom of information law.

(b) A land bank shall hold a public hearing prior to financing or issuance of bonds. The land bank shall schedule and hold a public hearing and solicit public comment. After the conclusion of the public hearing and comments, the land bank shall consider the results of the public hearing and comments with respect to the proposed actions. Such consideration by the land bank shall include the accommodation of the public interest with respect to such actions; if such accommodation is deemed in the best interest of the community proposed actions shall include such accommodation.

(c) In addition to any other report required by this chapter, the land bank, through its chairperson, shall annually deliver, in oral and written form, a report to the municipality. Such report shall be presented by March fifteenth of each year to the governing body or board of the municipality. The report shall describe in detail the projects undertaken by the land bank during the past year, the monies expended by the land bank during the past year, and the administrative activities of the land bank during the past year. At the conclusion of the report, the chairperson of the land bank shall be prepared to answer the questions of the municipality with respect to the projects undertaken by the authority during the past year, the monies expended by the municipality during the past year, and the administrative activities of the municipality during the past year.

§ 1613. Dissolution of land bank

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

§ 1614. Conflicts of interest

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

§ 1615. Construction, intent and scope

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

§ 1616. Delinquent property tax enforcement

The municipality may enter into a contract to sell some or all of the delinquent tax liens held by it to a land bank, subject to the following conditions:

(a) The consideration to be paid may be more or less than the face amount of the tax liens sold.

(b) Property owners shall be given at least thirty days advance notice of such sale in the same form and manner as is provided by subdivision two of section eleven hundred ninety of the real property tax law. Failure to provide such notice or the failure of the addressee to receive the same shall not in any way affect the validity of any sale of a tax lien or tax liens or the validity of the taxes or interest prescribed by law with respect thereto.

(c) The municipality shall set the terms and conditions of the contract of sale.

(d) The land bank must thirty days prior to the commencement of any foreclosure action provide to the municipality a list of liens to be foreclosed. The municipality may, at its sole option and discretion, repurchase a lien or liens on the foreclosure list from the land bank. The repurchase price shall be the amount of the lien or liens plus any accrued interest and collection fees incurred by the land bank. The land bank shall provide the foreclosure list to the municipality, along with the applicable repurchase price of each lien, by certified mail, and the municipality shall have thirty days from receipt to notify the land bank of its option to purchase one or more of the liens. If the municipality opts to
purchase the lien, it shall provide payment within thirty days of receipt of the repurchase price of said lien or liens. If the municipality shall fail to opt to repurchase the lien or liens the land bank shall have the right to commence a foreclosure action immediately.

(e) The sale of a tax lien pursuant to this article shall not operate to shorten the otherwise applicable redemption period or change the otherwise applicable interest rate.

(f) Upon the expiration of the redemption period prescribed by law, the purchaser of a delinquent tax lien, or its successors or assigns, may foreclose the lien as in an action to foreclose a mortgage as provided in section eleven hundred ninety-four of the real property tax law. The procedure in such action shall be the procedure prescribed by article thirteen of the real property actions and proceedings law for the foreclosure of mortgages. At any time following the commencement of an action to foreclose a lien, the amount required to redeem the lien, or the amount received upon sale of a property, shall include reasonable and necessary collection costs, attorneys’ fees, legal costs, allowances, and disbursements.

(g) The provisions of title five of article eleven of the real property tax law shall apply so far as is practicable to a contract for the sale of tax liens pursuant to this article.

(h) If the court orders a public sale pursuant to section eleven hundred thirty-six of the real property tax law, and the purchaser of the property is the land bank, then the form, substance, and timing of the land bank’s payment of the sales price may be according to such agreement as is mutually acceptable to the plaintiff and the land bank. The obligation of the land bank to perform in accordance with such agreement shall be deemed to be in full satisfaction of the tax claim which was the basis for the judgment.

(i) Notwithstanding any other provision of law to the contrary, in the event that no municipality elects to tender a bid at a judicially ordered sale pursuant to the provisions of section eleven hundred thirty-six of the real property tax law, the land bank may tender a bid at such sale in an amount equal to the total amount of all municipal claims and liens which were the basis for the judgment. In the event of such tender by the land bank the property shall be deemed sold to the land bank regardless of any bids by any other third parties. The bid of the land bank shall be paid as to its form, substance, and timing according to such agreement as is mutually acceptable to the plaintiff and the land bank. The obligation of the land bank to perform in accordance with such agreement shall be deemed to be in full satisfaction of the municipal claim which was the basis for the judgment. The land bank, as purchaser at such sale shall take and forever thereafter have, an absolute title to the property sold, free and discharged of all tax and municipal claims, liens, mortgages, charges and estates of whatsoever kind. The deed to the land bank shall be executed, acknowledged and delivered within thirty days of the sale.

§ 1617. Contracts

(a) The land bank may, in its discretion, assign contracts for supervision and coordination to the successful bidder for any subdivision of work for which the land bank receives bids. Any construction, demolition, renovation and reconstruction contract awarded by the land bank shall contain such other terms and conditions as the land bank may deem desirable. The land bank shall not award any
construction, demolition, re-novation and reconstruction contract greater than ten thousand dollars except to the lowest bidder who, in its opinion, is qualified to perform the work required and who is responsible and reliable. The land bank may, however, reject any or all bids or waive any informality in a bid if it believes that the public interest will be promoted thereby. The land bank may reject any bid, if, in its judgment, the business and technical organization, plant, resources, financial standing, or experience of the bidder justifies such rejection in view of the work to be performed.

(b) For the purposes of article fifteen-A of the executive law only, the land bank shall be deemed a state agency as that term is used in such article, and all contracts for procurement, design, construction, services and materials shall be deemed state contracts within the meaning of that term as set forth in such article.
INTERMUNICIPAL AGREEMENT

BETWEEN ERIE COUNTY, THE CITY OF BUFFALO, THE CITY OF LACKAWANNA AND THE CITY OF TONAWANDA

FOR THE CREATION OF THE
BUFFALO ERIE NIAGARA LAND IMPROVEMENT CORPORATION

(A New York Land Bank)

This Intermunicipal Agreement made and entered into this 29th day of March, 2012 ("Agreement") under the New York Land Bank Act, Article 16 of the New York Not-for-Profit Corporation Law, between ERIE COUNTY (hereinafter the "County") and the CITY OF BUFFALO, (hereinafter "Buffalo"), the CITY OF LACKAWANNA (hereinafter "Lackawanna"), the CITY OF TONAWANDA, (hereinafter "Tonawanda") (hereinafter collectively referred to as the "Parties") for the purpose of establishing and creating the BUFFALO ERIE NIAGARA LAND IMPROVEMENT CORPORATION, a type C not-for-profit corporation to administer and implement the purposes and objectives of this Agreement.

RECITALS

WHEREAS, in enacting the New York Land Bank Act as Article 16 of the New York Not-for-Profit Corporation Law (hereinafter the "Land Bank Act"), the Legislature found that there exists in the state of New York a continuing need to strengthen and revitalize the economy of the state of New York and communities in this state and that it is in the best interests of the state of New York and communities in this state to confront the problems caused by vacant, abandoned and tax delinquent properties
through the creation of land banks in a coordinated manner to foster the development of that property and to promote economic growth; and

WHEREAS, Section 1603 of the Land Bank Act permits any or any two or more foreclosing governmental units to enter into an intergovernmental cooperation agreement to establish a land bank; and

WHEREAS, the Parties herein agree that the establishment of a land bank would be beneficial to the Parties and to the citizens of the City of Buffalo, the City of Lackawanna, the City of Tonawanda and the County of Erie; and

WHEREAS, the Parties desire to create the Buffalo Erie Niagara Land Improvement Corporation as a type c not-for-profit corporation to operate as a land bank in accordance with the Land Bank Act and to exercise the powers, duties, functions, and responsibilities of a land bank under the Land Bank Act.

Accordingly, the Parties agree to the following:

ARTICLE I DEFINITIONS

As used in this Agreement the following terms shall have the meanings provided in this Article

Section 1.01. "Board of Directors" or "Board" means the Board of Directors of the Land Bank.

Section 1.02. "Agreement" means this intermunicipal agreement between the Parties.

Section 1.03. "Effective Date" means the date upon which all of the following are satisfied:

(a) the Agreement is approved by resolution of the Erie County Legislature and signed by the County Executive;

(b) the Agreement is approved by Ordinance of the Common Council of the City of Buffalo and signed by the Mayor; and

(c) the Agreement is approved by Ordinance of the Common Council of the City of Lackawanna and signed by the Mayor; and

(d) the Agreement is approved by Ordinance of the Common Council of the City of Lackawanna and signed by the Mayor; and
the creation of the Buffalo Erie Niagara Land Improvement Corporation is approved by the
Empire State Development Corporation in accordance with Section 1603(g) of the Land Bank Act.

Section 1.04. "Fiscal Year" means the fiscal year of the Land Bank, which shall begin on January 1st
of each year and end on the following December 31st.

Section 1.05. "Land Bank Act" means Article 16 of the New York Not-for-Profit Corporation Law and
as it may be hereafter amended or replaced, subject to the provisions of Section 11.11 of this
Agreement.

Section 1.06. "Land Bank" means the type c not-for-profit corporation established pursuant to and in
accordance with the provisions of this Agreement and known as the Buffalo Erie Niagara Land
Improvement Corporation.

Section 1.07. "Party" or "Parties" means either individually or collectively, as applicable, the County of
Erie, City of Buffalo, City of Lackawanna and/or the City of Tonawanda.

Section 1.08. "Person" means an individual, authority, limited liability company, partnership, firm,
corporation, organization, association, joint venture, trust, governmental entity, or other legal entity.

Section 1.09. "Quorum" means a majority of the members of the Board, not including vacancies.

Section 1.10. "Real Property" means all lands and the buildings thereon, all things permanently
attached to land or to the buildings thereon, and any interest existing in, issuing out of, or dependent
upon land or the buildings thereon.

Section 1.11. "Tax Delinquent Property" means real property encumbered by an outstanding tax lien
for a delinquent tax as defined in Section 1102 of the New York Real Property Tax Law, the Erie
County Tax Act, or such other general, special or local laws as may be applicable to the property tax
enforcement procedures of the Parties.

Section 1.12. "State" means the state of New York.

ARTICLE  II PURPOSE

Section 2.01. Purpose. The purpose of this Agreement is to create the Buffalo Erie Niagara Land
Improvement Corporation to help address the Parties' problems regarding vacant and abandoned
property in a coordinated manner and to further foster the development of such property and promote
economic growth through the return of vacant, abandoned, and tax-delinquent properties to
productive use.

Section 2.02. Powers and Functions. The Buffalo Erie Niagara Land Improvement Corporation shall
have all of those powers, duties, functions, and responsibilities authorized pursuant to the Land Bank
Act.

ARTICLE  III CREATION OF LAND BANK
Section 3.01. Creation and Legal Status of Land Bank. The Land Bank is established pursuant to the Land Bank Act as a type c not-for-profit corporation to be known as the "Buffalo Erie Niagara Land Improvement Corporation".

Section 3.02. By-Laws, and Policies and Procedures. The Board shall adopt by-laws consistent with the provisions of this Agreement and the Land Bank Act within forty-five (45) days of the Effective Date. The Board shall adopt policies and procedures consistent with the provisions of this Agreement and the Land Bank Act within ninety (90) days of the Effective Date.

Section 3.03. Principal Office. The principal office of the Land Bank shall be determined by the Board but shall always be in a location within the geographical boundaries of Erie County.

Section 3.04. Title to Land Bank Assets. All Real Property held in fee by the Land Bank shall be held in its own name.

Section 3.05. Tax-Exempt Status. The Parties intend the activities of the Land Bank to be governmental functions carried out by an instrumentality or political subdivision of the State as described in section 115 of Title 26 of the United States Internal Revenue Code, or any corresponding provisions of any future tax code. The Real Property of the Land Bank and all of the Land Bank's income and operations shall be exempt from all taxation by the State of New York or any of its political subdivisions.

Section 3.06. Extinguishment of Taxes and Assessments. Upon the request of the Land Bank and for the purposes of fostering the goals and objectives of the Land Bank, any Party, at its option and in its discretion and subject to any necessary legal approvals, may extinguish any Real Property Taxes or special assessments levied by that Party against Real Property owned by the Land Bank.

Section 3.07. Compliance with Law. The Land Bank shall comply with all federal, State, and local laws, ordinances, rules, regulations, and orders applicable to this Agreement.

Section 3.08. Relationship of Parties. The Parties agree that the County shall not be responsible, in whole or in part, for the acts of the employees, agents, and servants of Buffalo, Lackawanna or Tonawanda, whether acting separately or in conjunction with the implementation of this Agreement, and that Buffalo, Lackawanna or Tonawanda shall not be responsible, in whole or in part, for the acts of the employees, agents, and servants of the County, whether acting separately or in conjunction with the implementation of this Agreement. The Parties shall only be bound and obligated under this Agreement as expressly agreed to by each Party. The Land Bank shall not obligate Buffalo, Lackawanna or Tonawanda or the County nor shall any obligation of the Land Bank constitute an obligation of Buffalo, Lackawanna or Tonawanda or the County.

Section 3.09. No Third-Party Beneficiaries. Except as otherwise specifically provided, this Agreement does not create, is not intended to create in any non-Party, by implication or otherwise, any direct or indirect benefit, obligation, duty, promise, right to be indemnified (such as contractually, legally,
Section 3.10. Additional Parties to Agreement. At any time subsequent to the Effective Date, the County of Niagara or an additional foreclosing governmental unit located in whole or in part within Erie or Niagara County may become a Party to this Agreement by completing the following requirements:

(a) approval of the Board as it exists before the addition of the applicable foreclosing governmental unit and execution by the Board chairperson of a signature page annexed hereto;

(b) approval from Erie County, the City of Buffalo, the City of Lackawanna, and the City of Tonawanda, and other foreclosing governmental units that are signatories to this Agreement before the addition of the additional foreclosing governmental unit;

(c) adoption of a local law, ordinance, or resolution as appropriate to the applicable foreclosing governmental unit; and

(d) execution by an authorized representative of the applicable foreclosing governmental unit of a signature page signature page annexed hereto.

ARTICLE IV

BOARD, EXECUTIVE DIRECTOR AND STAFF

Section 4.01. Board Composition. The Land Bank shall be governed by a Board of Directors as described in the Certificate of Incorporation. Each member shall serve without compensation. Each member shall continue to serve until the appointment and qualification of his or her successor. Vacancies in the Board occurring otherwise than by expiration of term shall be filled for the unexpired term.

Section 4.02. Initial Members. The first term of the first Board members shall commence on the date of the first Board meeting. The initial Members of the Board of the Land Bank shall be:

1. Brendan R. Mehaffy, Executive Director of Strategic Planning of the City of Buffalo
   City of Buffalo
   920 City Hall
   Buffalo, New York 14202

2. Timothy A. Ball, Corporation Counsel of the City of Buffalo
   City of Buffalo
   1100 City Hall
   Buffalo, NY 14202
3. James Comerford, Jr., Commissioner of Permit and Inspection Services
   City of Buffalo
   324 City Hall
   Buffalo, NY 14202

4. Janet Penksa, Commissioner of Administration, Finance, Policy and Urban Affairs
   City of Buffalo
   203 City Hall
   Buffalo, NY 14202

5. David P. Comerford, General Manager, Buffalo Sewer Authority
   City of Buffalo
   1038 City Hall
   Buffalo, NY 14202

6. Marie R. Whyte, Commissioner of Erie County Department of Environment and Planning
   Edward A. Rath Building
   95 Franklin Street, 10th Floor
   Buffalo, New York 14202

7. Joseph L. Maciejewski, Director, Erie County Department of Real Property Tax Services
   Edward A. Rath Building
   95 Franklin Street, 1st floor, Room 100
   Buffalo, New York 14202

8. Michael A. Siragusa, Erie County Attorney
Edward A. Rath Building
Department of Law
95 Franklin Street, Suite 1634
Buffalo, New York 14202

9. Frank E. Krakowski, City Assessor
   Lackawanna City Hall
   City of Lackawanna
   714 Ridge Road
   Lackawanna, New York 14218

10. Joseph M. Hogenkamp City Treasurer
    City of Tonawanda
    City of Tonawanda
    200 Niagara Street
    Tonawanda, New York 14150

11. Christina Orsi
    Empire State Development -
    Western New York Regional Director
    95 Perry Street
    Suite 500
    Buffalo, New York 14202

The qualifications, manner of appointment, and terms of members of the Board of Directors, after the initial terms, shall be as follows:

1. The Executive Director of Strategic Planning of the City of Buffalo;
2. The Corporation Counsel of the City of Buffalo;

3. The Commissioner of Permit and Inspection Services of the City of Buffalo

4. Commissioner of Administration, Finance, Policy and Urban Affairs for the City of Buffalo;

5. General Manager, Buffalo Sewer Authority;

6. Commissioner of Erie County Department of Environment and Planning;

7. Director, Erie County Department of Real Property Tax Services;

8. The Erie County Attorney (Erie County Department of Law);

9. The City Assessor of the City of Lackawanna;

10. The City Treasurer of the City of Tonawanda

11. Western New York Regional Director, Empire State Development Corporation

Section 4.03 Term of Office. Members of the Board of Directors shall serve by virtue of office and they shall serve so long as he or she shall hold the office.

Section 4.04. Qualifications. All members of the Board of the Land Bank shall be residents of the County of Erie, except such member who serves as an officer of a foreclosing governmental unit located outside of Erie County shall be residents of the County in which the foreclosing governmental unit is located.
Section 4.05. Removal. The Board shall establish rules and requirements relative to the attendance and participation of members in its meetings, regular or special. Such rules and regulations may prescribe a procedure whereby, should any member fail to comply with such rules and regulations, such member may be disqualified and removed automatically from office by no less than a majority vote of the remaining members of the Board, and that member's position shall be vacant as of the first day of the next calendar month. Any person removed under the provisions of this paragraph shall be ineligible for reappointment to the Board, unless such reappointment is confirmed unanimously by the Board.

Section 4.06. Vacancies. A vacancy among the members of the Board appointed under section 4.01, whether caused by the death, resignation, or removal of a Board member, shall be filled in the same manner as the original appointment for the balance of the unexpired term. Such vacancy shall be filled as soon as practicable.

Section 4.07. Meetings. The Board shall conduct its first meeting no later than thirty (30) calendar days after the Effective Date. The Board shall meet at least annually and hold such other meetings at the place, date, and time as the Board shall determine.

Section 4.08. Records of Meetings. The Board shall maintain a written record of each meeting. All meetings of the Board shall comply with the provisions of Section 1612(a) of the Land Bank Act and be subject to the New York Open Meetings Law and the New York Freedom of Information Law.

Section 4.09. Quorum and Voting. Presence for both quorum and voting at a Board meeting may include electronic communication by which such member of the Board is both seen and heard by the members of the Board and any members of the public at the meeting. All actions of the Board shall be approved by the affirmative vote of a majority of the members of the Board present and voting; provided, however, no action of the Board shall be authorized on the following matters unless approved by a majority of the total Board membership:

(a) Adoption of by-laws and other rules and regulations for conduct of the Land Bank's business;

(b) Hiring or firing of any employee or contractor of the Land Bank. This function may, by a majority vote of the total Board membership, be delegated to a specific officer or committee of the Land Bank, under such terms and condition, and to the extent, that the Board may specify;

(c) The incurring of debt;

(d) Adoption or amendment of the annual budget; and

(e) Acquisition, sale, lease, encumbrance, or alienation of real property, improvements, or personal property.
Section 4.10. Board Responsibilities. The Board shall have all powers necessary to carry out and effectuate the purposes and provisions of this Agreement and the Land Bank Act, including all of those powers set forth in Section 1607 of the Land Bank Act.

Section 4.11. Fiduciary Duty. The members of the Board are under a fiduciary duty to conduct the activities and affairs of the Land Bank in the best interests of the Land Bank including the safekeeping and use of all Land Bank monies and assets. The members of the Board shall discharge their duties in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances.

Section 4.12. Compensation. The members of the Board shall serve without compensation. The Board may reimburse any member for expenses actually incurred in the performance of duties on behalf of the Land Bank.

Section 4.13. Executive Director. The Board may select and retain an executive director. An executive director selected and retained by the Board shall administer the Land Bank in accordance with the operating budget adopted by the Board, general policy guidelines established by the Board, other applicable governmental procedures and policies, and this Agreement. The executive director shall be responsible for the day-to-day operations of the Land Bank, the control, management, and oversight of the Land Bank's functions, and supervision of all Land Bank employees. All terms and conditions of the executive director's length of service shall be specified in a written contract between the executive director and the Land Bank. The executive director shall serve at the pleasure of the Board. The Board may delegate to the executive director any powers or duties it considers proper, subject to the constraints of Land Bank Act, and under such terms, conditions and extent that the Board may specify.

Section 4.14. Employees. The Land Bank may employ or otherwise contract for the services of any staff deemed necessary to carry out the duties and responsibilities of the Land Bank. Such staff may be employed as employees of the Land Bank, or the services of such staff may be retained pursuant to contracts with any Party or other public or private entities.

Section 4.15. Conflicts of Interest. Subject to the provisions of section 1614 of the Land Bank Act, no Member of the Board, or employee of the Land Bank shall acquire any interest, direct or indirect, in Real Property of the Land Bank, in any Real Property to be acquired by the Land Bank, or in any Real Property to be acquired from the Land Bank. No Member of the Board, or employee of the Land Bank shall have any interest, direct or indirect, in any contract or proposed contract for materials or services to be furnished or used by the Land Bank. The Board shall establish policies and procedures requiring the disclosure of relationships that may give rise to a conflict of interest and may adopt ethical guidelines for Members of the Board and employees of the Land Bank. The Board shall require that any member of the Board with a direct or indirect interest in any matter before the Board disclose the member's interest to the Board before the Board takes any action on the matter.

ARTICLE V POWERS OF LAND BANK •
Section 5.01. General Powers Under Land Bank Act. The Land Bank shall have all those powers necessary to carry out and effectuate the purposes and provisions of the Land Bank Act including, but not limited to, all those powers specified under Section 1607 of the Land Bank Act, and all those other powers granted to Land Banks pursuant to the Land Bank Act or other statutory authority.

Section 5.02. Purchase of Tax Liens. The Land Bank may acquire liens relative to Tax Delinquent Property in accordance with Section 1616 of the Land Bank Act.

Section 5.03. Execution of Legal Documents Relating to Real Property. The terms of any contract or agreement concerning the sale, lease license, easement, encumbrance, or other alienation of any interest in Real Property, or improvements thereto, or personal property of the Land Bank, shall be approved by the Board. All contracts of the Land Bank shall be executed in the name of the Land Bank.

Section 5.04. Civil Action to Protect Land Bank Real Property. The Land Bank may institute a civil action to prevent, restrain, or enjoin the waste of or unlawful removal of any Real Property held by the Land Bank. The Land Bank may also institute any civil action to protect, clear title to, determine the rights of parties to, remove liens from, or that are otherwise related to the Real Property of the Land Bank.

Section 5.05. Transfer of Interests in Real Property by Land Bank. On terms and conditions, in a manner, and for an amount of consideration the Land Bank considers proper, fair, and reasonable, including for no monetary consideration, the Land Bank may convey, sell, transfer, exchange, lease as lessor, or otherwise dispose of Real Property or rights or interests in Real Property in which the Land Bank holds a legal interest to any public or private Person subject to the Public Authorities Law, and any other statutory requirements.

Section 5.06. Structure of Conveyances. Transactions shall be structured in a manner that permits the Land Bank to enforce contractual agreements, real covenants, and the provisions of any subordinate financing held by the Land Bank pertaining to development and use of the Real Property.

Section 5.07. Disposition of Proceeds. Any proceeds from the sale or transfer of Real Property by the Land Bank shall be retained, expended, or transferred by the Land Bank as determined by the Board in the best interests of the Land Bank and in accordance with the Land Bank Act.

ARTICLE VI RESTRICTIONS ON POWERS

Section 6.01. Eminent Domain Prohibited. The Land Bank shall neither possess nor exercise the power of eminent domain.

Section 6.04. Limitation on Political Activities. The Land Bank shall not spend any public funds on political activities. Subject to the foregoing, this section is not intended to prohibit the Land Bank from engaging in activities authorized by applicable law.

Section 6.05. No Waiver of Governmental Immunity. The Parties agree that no provision of the Agreement is intended, nor shall it be construed, as a waiver by any Party of any governmental immunity provided under any applicable law.
Section 6.06. Non-Discrimination. The Land Bank shall comply with all applicable laws prohibiting discrimination.

Section 6.07. Building and Housing Codes. The Land Bank shall maintain all Real Property held by the Land Bank in accordance with applicable State laws and local codes.

ARTICLE VII

POLICIES FOR ACQUISITION, USE AND DISPOSITION OF PROPERTY

Section 7.01. Compliance with Land Bank Act. In its acquisition and disposition of property, the Land Bank shall be subject to the Land Bank Act.

Section 7.02. Compliance with Municipal Building Codes, Zoning Laws, and Land Use Controls. The Land Bank shall be subject to all applicable city, town and village building codes, zoning laws and land use controls in its use and disposition of real property owned by the Land Bank. The Mayor and the Executive Director of Strategic Planning for the City of Buffalo shall be responsible for confirming that any proposed land banking activity within the City of Buffalo is in accordance with said codes, zoning laws, and land use controls of the City of Buffalo and shall provide written confirmation of such accordance prior to any land banking activity taking place within the City of Buffalo.

Section 7.03. Consultation with Municipalities. The Land Bank shall actively consult with Erie County and the cities, towns and villages of Erie County in respect to the selection of properties to be acquired and policies, plans and procedures to the disposition of such properties.

Section 7.04. Consent of Cities. Recognizing that the Cities of Buffalo, Lackawanna and Tonawanda, as well as the County, possess their own tax liens on real property within their respective territories, the Land Bank will not foreclose on County tax liens or more generally exercise the powers granted by the Land Bank Act for acquisition of property at tax foreclosure sale within foreclosing governmental unit over the written objection of the Mayor of such City.

Section 7.05. Requests for Foreclosure. Any town or village in Erie County may request that (a) the County transfer to the Land Bank the County's tax lien on any tax delinquent real property within such town's or village's territory and (b) the Land Bank foreclose on such lien, provided that the Land Bank may require as a precondition to such foreclosure that the requesting town or village agree to submit a bid for the property at the foreclosure sale. The Land Bank may accept a deed in lieu of foreclosure on such property; and it may convey the property to the requesting town or village in exchange for payment of the amount of the lien, including interest, costs and penalties.

Section 7.06. Redevelopment Plans. Subject to Sections 7.02 and 7.03 above, and after consultation with the specific municipalities affected, the Board of Directors may adopt redevelopment plans for properties held or to be disposed of by the Land Bank within the respective territories of such municipalities.
Section 7.07. Identification of Funds. Prior to Board action by the Land Bank to acquire property or any property interest, the Land Bank Executive Director shall produce for board review information identifying the funds of the Land Bank or any other funding source that will cover for the carrying and disposition costs associated with the property or property interested proposed for acquisition.

ARTICLE VIII

BOOKS. RECORDS. AND FINANCES

Section 8.01. Land Bank Records. The Land Bank shall keep and maintain at the principal office of the Land Bank all documents and records of the Land Bank. All records of the Land Bank subject to any claimed privilege shall be made available to either Party, including the Erie County Comptroller. The records and documents shall be maintained until the termination of this Agreement and shall be delivered to any successor entity.

Section 8.02. Financial Statements and Reports. The Land Bank shall cause to be prepared, at the Land Bank's expense, audited financial statements (balance sheet, statement of revenue and expense, statement of cash flows, and changes in fund balance) on an annual basis. Such financial statements shall be prepared in accordance with generally accepted accounting principles and accompanied by a written opinion of an independent certified public accounting firm. The Land Bank shall be subject to audit by the office of the state comptroller in accordance with Section 1603(h) of the Land Bank Act.

Section 8.03. Annual Budget. The executive director, or other individual designated by the Board, shall prepare annually a budget for the Land Bank. The Board shall review and approve a budget for the Land Bank immediately preceding each Fiscal Year.

Section 8.04. Deposits and Investments. The Land Bank shall deposit and invest funds of the Land Bank, not otherwise employed in carrying out the purposes of the Land Bank, in accordance with an investment policy established by the Board consistent with laws and regulations regarding investment of Land Bank funds.

Section 8.05. Disbursements. Disbursements of funds shall be in accordance with guidelines established by the Board.

Section 8.06. Performance Objectives. Each Fiscal Year, the executive director, or other individual designated by the Board, shall prepare, for review and approval by the Board, objectives for the Land Bank's performance.

Section 8.07. Real Property Inventory Records. The Land Bank shall inventory all Real property owned, held, or disposed of by the Land Bank. The inventory shall be maintained as a public record and shall be available in accordance with Sections 1608(h) and (i), and Sections 1609(b) of the Land Bank Act.
ARTICLE IX FUNDING AND EXPENDITURES

Section 9.01. Budget Contributions. While under no obligation, the Parties may contribute to the annual Land Bank budget in such manner as approved by the Party or Parties.

Section 9.02. Issuance of Bonds. The Land bank may issue, sell, and deliver bonds in accordance with the provisions of Section 1611 of the Land Bank Act.

Section 9.02. Tax Allocation. Upon the adoption of a resolution by the County Legislature and I or the adoption of an ordinance by the Common Council of a City which is a party hereto, either party, or both parties collectively may provide for Fifty (50) percent of that Party's real property taxes collected on any specific parcel of real property identified in such resolution or ordinance (or both) to be remitted to the Land Bank for a period of five (5) years in accordance with the provisions of Section 1610(c) of the land Bank Act.

Section 9.03. Management of Funds. The Land Bank, shall designate a fiscal agent of the Land Bank to manage sales proceeds, monetary contributions made by the Parties', and other Land Bank funds. Standard accounting procedures shall be used in the management of Land Bank accounts.

Section 9.04. Authorized Expenditures. The Land Bank shall in its sole discretion and within its budget expend such funds as necessary to carry out the powers, duties, functions, and responsibilities of a land bank under the Land Bank Act consistent with this Agreement, and State law.

ARTICLE X DURATION OF AGREEMENT

Section 10.01. Duration. This Agreement shall commence on the Effective date and shall remain in full force and effect for a period of five years. This Agreement shall thereafter be automatically renewed for successive five year periods until withdrawal of one of the parties in accordance with section 10.02 or dissolution of the Land Bank in accordance with the provisions of Section 10.03.

Section 10.02. Withdrawal by Party. Either Party may withdraw from this Agreement upon six (6) months notice to the other Party, and to the Land Bank. The withdrawing Party shall have no rights to funds or other assets of the Land Bank. If at the time of withdrawal the requirements of the Land Bank Act provide that some Real Property of the Land Bank be liquidated, any sums received from the sale of such properties shall remain the funds of the Land Bank. Upon the withdrawal of any Party to this Agreement, the provisions of this Agreement shall remain in force for any remaining Parties to the Agreement.

Section 10.03. Dissolution. The Land Bank may only be dissolved pursuant to the requirements of Section 1613 of the Land Bank Act.

ARTICLE XI MISCELLANEOUS
Section 11.01. Notices. Any and all correspondence or notices required, permitted, or provided for under this Agreement to be delivered to any Party shall be sent to that Party via certified mail, return receipt requested, and by regular US mail. All correspondence shall be considered delivered to a Party as of the date that such notice is deposited with sufficient postage with the United States Postal Service. All such written notices, including any notice of withdrawal under Article IX, shall be sent to the Parties the addresses below, or any subsequent address provided by either Party:

To: Erie County  
To: City of Buffalo

Office of the County Executive Attn: County Executive
Edward A. Rath County Office Building 95 Franklin Street, 16th Floor
Buffalo, New York 14202

With a copy to:
County Attorney
Erie County Department of Law 95 Franklin Street, Suite 1634 Buffalo, New York 14202

Office of the Mayor Attn: Mayor
201 City Hall
Buffalo, New York 14202

With a copy to:
Corporation Counsel 1100 City Hall
Buffalo, New York 14202

City of Buffalo Office of City Clerk 1308 City Hall
Buffalo, New York 14202
Section 11.02. Entire Agreement. This Agreement sets forth the entire Agreement between the Parties and supersedes any and all prior agreements or understandings between them in any way related to the subject matter of this Agreement. It is further understood and agreed that the terms and conditions of this Agreement are contractual and are not a mere recital and that there are no other contracts, understandings, or representations between the Parties in any way related to the subject matter of this Agreement, except as expressly stated in this Agreement.

Section 11.03. Interpretation of Agreement. The Parties intend that this Agreement shall be construed liberally to effectuate the intent and purposes of this Agreement and the legislative intent and purposes of the Land Bank Act as complete and independent authorization for the performance of each and every act and thing authorized by this Agreement and the Land Bank Act. All powers granted to the Land Bank under this Agreement and the Land Bank Act shall be broadly interpreted to effectuate the intent and purposes and not as a limitation of powers.
Section 11.04. Severability of Provisions. If any provision of this Agreement, or its application to any Person, Party, or circumstance, is invalid or unenforceable, the remainder of this Agreement and the application of that provision to other Persons, Parties, or circumstances is not affected but will be enforced to the extent permitted by law.

Section 11.05. Governing Law. This Agreement is made and entered into in the State of New York and shall in all respects be interpreted, enforced, and governed under the laws of the State of New York without regard to the doctrines of conflict of laws. The language of all parts of this Agreement shall in all cases be construed as a whole according to its plain and fair meaning, and not construed strictly for or against any Party.

Section 11.06. Captions and Headings. The captions, headings, and titles in this Agreement are intended for the convenience of the reader and are not intended to have any substantive meaning or to be interpreted as part of this Agreement.

Section 11.07. Terminology. All terms and words used in this Agreement, regardless of the number or gender in which they are used, are deemed to include any other number and any other gender as the context may require.

Section 11.08. Cross-References. References in this Agreement to any article include all sections, subsections, and paragraphs in the article, unless specifically noted otherwise. References in this Agreement to any section include all subsections and paragraphs in the section.

Section 11.09. Jurisdiction and Venue. In the event of any disputes between the Parties over the meaning, interpretation, or implementation of the terms, covenants, or conditions of this Agreement, the matter under dispute, unless resolved between the Parties, shall be submitted to the courts of Erie County.

Section 11.10. Amendments to Agreement. This Agreement may be amended or an alternative form of this Agreement adopted only upon written amendment approved by all Parties.

Section 11.11. Amendments to Land Bank Act. The Land Bank shall have any powers authorized pursuant to any amendments, replacements, or substitutions to the Land Bank Act, unless the Agreement is amended by the Parties to provide otherwise.
Section 11.12. Certificate of Incorporation. The Certificate of Incorporation of the BUFFALO ERIE NIAGARA LAND IMPROVEMENT CORPORATION are attached to this Agreement as Exhibit "A" and incorporated herein by reference.

Section 11.13. Effective Date. This Agreement shall become effective as of the Effective Date as that term is defined in Section 1.03. of this Agreement.
APPENDIX E – BY-LAWS

BY-LAWS OF
BUFFALO ERIE NIAGARA LAND IMPROVEMENT CORPORATION

ARTICLE I – PURPOSES AND POWERS

The purposes of the Corporation shall be as set forth in the Certificate of Incorporation. The Corporation shall have all of the powers and shall be subject to all of the duties provided by the Land Bank Act (Article 16 of the Not-for-Profit Corporation Law) and all other applicable laws and to the terms and conditions of any applicable Intergovernmental Cooperative Agreement.

ARTICLE II – OFFICES

The principal office of the Corporation shall be at the Edward A. Rath Building, 95 Franklin Street, Buffalo, New York 14202.

ARTICLE III – MEMBERS

Section 1. Members.

The Members of the Corporation shall be the County Executive of Erie County and the Mayor of the City of Buffalo.

Section 2. Meetings of Members.

Meetings of the Members may be called as provided in the Not-for-Profit Corporation Law or upon agreement by the Members.

Section 3. Quorum and Action by Members.

Except as otherwise expressly provided by these By-Laws in respect to the appointment of Directors, both Members must be present in person or by proxy to constitute a quorum for the transaction of any business, and the affirmative vote of both Members, in person, by proxy, or by written consent, shall be required to take any action under this chapter. Action may be taken by the Members without a meeting on written consent, setting forth the action so taken, signed by all of the members entitled to vote thereon. Each such consent shall be filed with the Clerk of the Erie County Legislature and the Clerks of the Cities of Buffalo, Lackawanna and Tonawanda, as well as with the minutes of the Corporation.

Section 4. Proxies.
Each member entitled to vote at a meeting of Members or to the express consent or dissent without a meeting may authorize another person or persons to act for him by proxy.

ARTICLE IV – DIRECTORS

Section 1. Management of the Corporation.

The Corporation shall be managed by the Board of Directors, which shall consist of an odd number of not less than five or more than eleven directors. [§1603(a)(2)]

Section 2. No Compensation, Reimbursement for Expenses.

Board members shall serve without compensation. The Board may reimburse any member for expenses actually incurred in the performance of duties on behalf of the Corporation. [§1605(g)]

Section 3. Appointment of Directors.

The Board of Directors shall be constituted of eleven directors, as follows:

1. The Commissioner of Administration and Finance, Policy and Urban Affairs for the City of Buffalo
2. The Executive Director of Strategic Planning of the City of Buffalo
3. The Commissioner of Permit and Inspection Services of the City of Buffalo
4. The Corporation Counsel of the City of Buffalo
5. The General Manager of the Buffalo Sewer Authority
6. The Commissioner of Environment and Planning of the County of Erie
7. The Director of Real Property Services of the County of Erie
8. The County Attorney of Erie County
9. The City Assessor of the City of Lackawanna
10. The City Treasurer of the City of Tonawanda
11. The Western New York Regional Director of the Empire State Development Corporation

Section 4. Service by Public Officers and Employees as Directors.

Any public officer shall be eligible to serve as a Director and the acceptance of the appointment shall neither terminate nor impair such public office. Any municipal employee or appointed officer shall be eligible to serve as a Director. [§1605(c)]

Section 5. Removal of Directors.

The Board shall establish rules and requirements relative to the attendance and participation of members in its meetings, regular or special. Such rules and regulations may prescribe a procedure whereby, should any member fail to comply with such rules and regulations, such member may be disqualified and removed automatically from office by no less than a majority vote of the remaining
members of the Board, and that member's position shall be vacant as of the first day of the next calendar month. Any person removed under the provisions of this paragraph shall be ineligible for reappointment to the Board, unless such reappointment is confirmed unanimously by the Board. [§1605(e)]

Section 6. Vacancies.

A vacancy on the Board shall be filled in the same manner as the original appointment. [§1605(f)]

Section 7. Action of the Board.

(a) A majority of the members of the Board, not including vacancies, shall constitute a quorum for the conduct of business. All actions of the Board shall be approved by the affirmative vote of a majority of the members of that Board present and voting; provided, however, no action of the Board shall be authorized on the following matters unless approved by a majority of the total Board membership:

1. adoption of by-laws and other rules and regulations for conduct of the Corporation's business;

2. hiring or firing of any employee or contractor of the Corporation. This function may, by majority vote of the total Board membership, be delegated to a specified officer or committee of the Corporation, under such terms and conditions, and to the extent, that the Board may specify;

3. the incurring of debt;

4. adoption or amendment of the annual budget; and

5. acquisition, sale, lease, encumbrance, or alienation of real property, improvements, or personal property.

[§1605(i)]

(b) Any one or more members 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. Participation by such means shall constitute presence in person at a meeting. [§708(c)]

(c) Any action required or permitted to be taken by the Board of Directors or any committee thereof may be taken without a meeting if all members of the Board or the committee consent in writing to the adoption of a resolution authorizing the action. The resolution and the written consent thereto by the members of the Board or committee shall be filed with the minutes of the proceedings of the Board or committee. [§708(b)]

Section 8. Meetings.

The Board shall meet in regular session according to a schedule adopted by the Board, and also shall meet in special session as conveyed by the Chairman or upon written notice signed by a majority of the Members. [§1605(h)]
Section 9. Compliance with Open Meetings Law and Freedom of Information Law. The Board and the Corporation shall comply with the provisions of the New York Open Meetings Law and the New York Freedom of Information Law.

ARTICLE V – OFFICERS AND STAFF

Section 1. Officers.

The members of the Board of Directors shall select annually from among themselves a Chairman, a Vice-Chairman, a Treasurer, and such other officers as the Board may determine, and shall establish their duties as may be regulated by rules adopted by the Board. [§1605(c)]

Section 2. Administrative Organization.

The Board may organize and reorganize the executive, administrative, clerical, and other departments of the Corporation and to fix the duties, powers, and compensation of all employees, agents, and consultants of the Corporation. [§1605(g)]

Section 3. Counsel and Staff.

The County Attorney shall serve as Counsel to the Corporation and may assign deputies or assistants to advise and represent the Corporation. The Corporation may employ a secretary, an executive director, and such technical experts, and such other agents and employees, permanent or temporary, as it may require, and may determine the qualifications and fix the compensation and benefits of such persons. The Corporation may also enter into contracts and agreements with municipalities for staffing services to be provided to the Corporation by municipalities or agencies or departments thereof, or for the Corporation to provide such staffing services to municipalities or agencies or departments thereof. [§1606]

Section 4. Signing of Checks.

For example, the Executive Director, Chair and Treasurer are authorized to issue and sign (two (2) signatures required) checks to pay corporate obligations. The Board of Directors may adopt such resolutions as may be appropriate to authorize one or more officers to sign, without requiring any other signature, payroll checks and checks in amounts up to $500.00 to pay corporate obligations incurred in the ordinary course of business, and to authorize the officers to open checking accounts and to issue and sign checks without reference in such resolutions to the purposes of such accounts and checks.

ARTICLE VI

POLICIES FOR ACQUISITION, USE AND DISPOSITION OF PROPERTY

Section 1. Compliance with Land Bank Act.
In its acquisition and disposition of property, the Corporation shall be subject to Article 16 of the Not-for-Profit Corporation Law (the Land Bank Act).

Section 2. Compliance with Municipal Building Codes, Zoning Laws, and Land Use Controls and Intergovernmental Agreements.

The Corporation shall be subject to all applicable city, town and village building codes, zoning laws and land use controls in its use and disposition of real property owned by the Corporation, and to the terms and conditions of any applicable Intergovernmental Cooperative Agreement. The Mayor and the Executive Director of Strategic Planning for the City of Buffalo shall be responsible for confirming that any proposed land banking activity within the City of Buffalo is in accordance with said codes, zoning laws, and land use controls of the City of Buffalo and shall provide written confirmation of such accordance prior to any land banking activity taking place.

Section 3. Consultation with Municipalities.

The Corporation shall actively consult with Erie County and the cities, towns and villages of Erie County in respect to the selection of properties to be acquired and policies, plans and procedures to the disposition of such properties.

Section 4. Consent of Cities.

Recognizing that the Cities of Buffalo, Lackawanna and Tonawanda, as well as the County, possess their own tax liens on real property within their respective territories, the Corporation will not foreclosure on County tax liens or more generally exercise the powers granted by the Land Bank Act for acquisition of property at tax foreclosure sale within a City over the written objection of the Mayor of such City.

Section 5. Requests for Foreclosure.

Any town or village in Erie County may request that (a) the County transfer to the Corporation the County's tax lien on any tax delinquent real property within such town's or village's territory and (b) the Corporation foreclose on such lien, provided that the Corporation may require as a precondition to such foreclosure that the requesting town or village agree to submit a bid for the property at the foreclosure sale. The Corporation may accept a deed in lieu of foreclosure on such property; and it may convey the property to the requesting town or village in exchange for payment of the amount of the lien, including interest, costs and penalties.

Section 6. Redevelopment Plans.

Subject to Sections 2 and 3 above, and after consultation with the specific municipalities affected, the Board of Directors may adopt redevelopment plans for properties held or to be disposed of by the Corporation within the respective territories of such municipalities.

ARTICLE VII – INDEMNIFICATION

The Corporation shall indemnify any person made, or threatened to be made, a party to
an action or proceeding by reason of the fact that such person or his testator or intestate is or was a director or officer of the Corporation, or (to the extent not indemnified thereby) served any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise at the request of the Corporation in the capacity of officer or director in the case of actions in the right of the Corporation and in any capacity in the case of all other actions, against judgments, fines, amounts paid in settlement, and reasonable expenses, including attorneys' fees, in the manner and to the full extent allowed by the Not-for-Profit Corporation Law, provided that no such indemnification shall be required with respect to any settlement or other non-adjudicated disposition of any threatened or pending action or proceeding unless the Corporation has given its prior consent to such settlement or other disposition. The Corporation is authorized to the full extent allowed by the Not-for-Profit Corporation Law to purchase and maintain insurance to indemnify the Corporation for any obligation which it incurs as a result of the indemnification of directors and officers under the provisions of the Not-for-Profit Corporation Law, to indemnify directors and officers in instances in which they may be indemnified by the Corporation under the provisions of the Not-for-Profit Corporation Law, and to indemnify the directors and officers in instances in which they may not otherwise be indemnified under the provisions of the Not-for Profit Corporation Law. [§§722, 723]

ARTICLE VIII – FISCAL YEAR

The fiscal year of the Corporation shall start January 1 and expire December 31.

ARTICLE IX – CONSTRUCTION

If there be any conflict between the provisions of the Certificate of Incorporation and these By-Laws, the provisions of the Certificate of Incorporation shall govern. Except for Article VI, §4, nothing in these By-Laws shall be construed to limit the powers or duties conferred upon the Corporation by the Land Bank Act (Article 16 of the New York Not-for Profit Corporation Law) or any other applicable provision of law.

ARTICLE X – AMENDMENT

These By-Laws may be amended by the affirmative vote of at least a majority of the entire Board of Directors.
This Code of Ethics shall apply to all directors, officers and employees of the Corporation. These policies shall serve as a guide for official conduct and are intended to enhance the ethical and professional performance of the Corporation's directors and employees and to preserve public confidence in the Corporation's mission.

Responsibility of Directors and Employees

1. Directors, officers 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, officers 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 employee's official position that could create any conflict between their public duties and interests and their private interests.

3. Directors, officers and employees shall not accept or receive any gift or gratuities where the circumstances would permit the inference that: (a) the gift is intended to influence the individual in the performance of official business or (b) the gift constitutes a tip, reward, or sign of appreciation for any official act by the individual. This prohibition extends to any form of financial payments, services, loans, travel reimbursement, entertainment, hospitality, thing or promise from any entity doing business with or before the Corporation.

4. Directors, officers and employees shall not use or attempt to use their official position with the Corporation to secure unwarranted privileges for themselves, members of their family or others, including employment with the Corporation or contracts for materials or services with the Corporation.

5. Directors, officers 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, officers and employees may not engage in any official transaction with an outside entity in which they have a direct or indirect financial interest that may reasonably conflict with the proper discharge of their official duties.

7. Directors, officers and employees shall manage all matters within the scope of the Corporation's mission independent of any other affiliations or employment. Directors, including ex officio board members, and employees employed by more than one government shall strive to fulfill
their professional responsibility to the Corporation without bias and shall support the Corporation's mission to the fullest.

8. Directors, officers and employees shall not use Corporation 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 Corporation's mission and goals.

9. Directors, officers and employees are prohibited from appearing or practicing before the Corporation for two (2) years following employment with the Corporation, consistent with the provisions of Public Officers Law.

10. No director, officer or employee of the Corporation 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 director, officer or employee of the Corporation 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. The board may adopt supplemental rules and regulations addressing potential conflicts of interest and ethical guidelines for directors, officers and employees. [LBA § 1614]

11. Each director, officer or employee who is a municipal officer or employee shall promptly make written disclosure of his or her position in the Corporation to his or her municipal supervisor and governing body in accordance with Section 803 of the General Municipal Law.

12. Each director shall, upon appointment, sign an acknowledgment of fiduciary duty in the form promulgated by the New York State Authorities Budget Office.

13. Each director, officer, and key employee as indicated by the Chairman shall annually file with the Chairman a statement disclosing real estate in Erie County in which he or she or a member of his or her household or a close relative (not including relatives more remote than first cousins) has a financial interest, and any other interest requiring transactional disclosure and recusal under paragraph 14 below.

14. Transactional disclosure and recusal. A Corporation officer or employee shall not use his or her official position or office, or take or fail to take any action, in a manner which he or she knows or has reason to know may result in a personal financial benefit for any of the following persons:

   (a) the Corporation officer or employee;
   (b) his or her outside employer or business;
   (c) a member of his or household;
   (d) a customer or client;
   (e) a close relative (not including relatives more remote than first cousins);
   (f) a person from whom the officer or employee has received election campaign contributions of more than $1000 in the aggregate during the past twelve months.

A director, officer or employee shall promptly recuse himself or herself from acting on a matter before the municipality when acting on the matter, or failing to act on the matter, may financially benefit any of the persons listed above.
Whenever a director, officer or employee is required to recuse himself or herself under this code of ethics, he or she

(i) shall promptly inform his or her superior, if any,
(ii) shall promptly file with the Chairman a signed statement disclosing the nature and extent of the prohibited action or, if a director shall state that information upon the minutes of the board, and
(iii) shall immediately refrain from participating further in the matter.

15. **Exclusions.** A director, officer or employee of the Corporation who is a municipal officer or employee shall not be deemed to have a prohibited interest or be required to recuse him or herself from any transaction by reason of any interest of his or her municipality in a contract or transaction with the Corporation. Nor shall recusal be required as a result of an action specifically authorized by statute, rule, or regulation of the State of New York or of the United States or a ministerial act.

**Implementation of Code of Ethics**

This Code of Ethics shall be provided to all directors, officers and employees upon commencement of employment or appointment and shall be reviewed annually by the Audit Committee.

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

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

**Penalties**

In addition to any penalty contained in any other provision of law, a Corporation director, officer or employee who knowingly and intentionally violates any of the provisions of this code may be removed in the manner provided for in law, rules or regulations.

**Reporting Unethical Behavior**

Employees, officers and directors are required to report possible unethical behavior by a director, officer or employee of the Corporation to the Ethics Officer. Employees, officers and directors may file ethics complaints anonymously and are protected from retaliation by the policies adopted by the Corporation.
Voidability of Contracts and Transactions

No contract or other transaction between the Corporation and any other entity shall be void or voidable by reason of any conflict of interest or breach of this Code of Ethics except as provided by Section 715 of the Not-for-profit Corporation Law.
### APPENDIX G – FINANCIAL PLAN

**Budget Report for Buffalo Erie Niagara Land Improvement Corporation**

**Fiscal Year Ending**: 12/31/2014

**Run Date**: 02/25/2015

**Status**: CERTIFIED

#### Budget & Financial Plan:

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The authority's budget, as presented to the Board of Directors, is posted on the following website: [http://media.wix.com/vd5df8cc5a977ad7e/ee13a462986eb338b55bb/aa5a9.pdf]
PBA § 2896 3. a. Each public authority shall publish, not less frequently than annually, a report listing all real property of the public authority. Such report shall include a list and full description of all real and personal property disposed of during such period. The report shall contain the price received by the public authority and the name of the purchaser for all such property sold by the public authority during such period.

**Acquired 2013**

1.) 39 Fowler Avenue, Tonawanda, New York 14127  
   SBL# 66.61-5-29  
   Property Class Code: 210  
   Dimensions: 33’ f x 110’ d

2.) 45-55 Pyle Court, Tonawanda, New York 14150  
   SBL# 65.26-2-1  
   Property Class Code:  
   Dimensions: 162.18’ f x 59.5’ d

**Acquired 2014**

3.) 79 Ellen Drive, Cheektowaga, New York 14225  
   SBL# 80.20-3-33  
   Property Class Code: 220  
   Dimensions: 50’ f x 114.95’ d

4.) 53 West Main Street, Springville, New York 14141  
   SBL# 335.15-5-18  
   Property Class Code: 330  
   Dimensions: 88’ f x 159.25’ d

5.) 8820 State Road, Colden, New York 14069  
   SBL# 243.03-2-6  
   Property Class Code: 330  
   Dimensions: .06 ac

6.) 3-7 Lardner Court, Tonawanda, New York 14150  
   SBL#: 52.83-1-19  
   Property Class Code: 220  
   Dimensions: 111’ f x 69’ d

7.) 100 Sawyer Avenue, Tonawanda, New York 14150
SBL#: 64.12-3-16
Property Class Code: 330
Dimensions: 60’ f x 113.99’ d

8.) 20-26 Whittier Place, Tonawanda, New York 14150
SBL#: 65.34-2-2
Property Class Code: 311
Dimensions: 92’ f x 70’ d

9.) 28 Browning Avenue, Tonawanda, New York 14150
SBL#: 52.83-1-15
Property Class Code: 311
Dimensions: 45.56’ f x 75.8’ d

10.) 32 Browning Avenue, Tonawanda, New York 14150
SBL#: 52.83-1-14
Property Class Code: 311
Dimensions: 45.74’ f x 75.83’ d

11.) 58-64 Burnett Place, Tonawanda, New York 14150
SBL#: 52.83-3-2
Property Class Code: 311
Dimensions: 91’ f x 64’ d

12.) 235 W Royal Parkway, Amherst, New York 14221
SBL#: 80.11-5-26
Property Class Code: 210
Dimensions: 75’ f x 146.25’ d

13.) 257 Callodine Avenue, Amherst, New York 14226
SBL#: 67.81-1-37
Property Class Code: 210
Dimensions: 47’ f x 112’ d

14.) 290 Atlantic Avenue, Sloan, New York 14212
SBL#: 112.27-1-70
Property Class Code: 210
Dimensions: 45’ f x 118’ d

15.) 1745 Abbott Road, Lackawanna, New York, 14218
SBL#: 142.15-4-31
Property Class Code: 210
Dimensions: 60.84’ f x 207.47’ d

16.) 465 Broad Street, City of Tonawanda, New York, 14150
SBL#: 38.67-7-5
Property Class Code: 210
17.) 272 Kohler Street, City of Tonawanda, New York, 14150
   SBL#: 38.84-4-6
   Property Class Code: 210
   Dimensions: 33.67’ f x 120’ d

18.) 585 Morgan Street, City of Tonawanda, New York 14150
   SBL#: 38.74-6-3
   Property Class Code: 210
   Dimensions: 50’ f x 132’ d

19.) 3048 William Street, Cheektowaga, New York 14227
   SBL#: 113.16-1-2
   Property Class Code: 330
   Dimension: 65’ f x 859’ d

**Disposed 2014**

1.) 39 Fowler Avenue.
   Purchase Price: $15,000
   Buyer’s Name: William Krier.
BUFFALO ERIE NIAGARA LAND IMPROVEMENT CORPORATION

PROCUREMENT POLICY

A. Introduction.

1. Applicability - This Procurement Policy (“Policy”) shall apply to the Buffalo Erie Niagara Land Improvement Corporation (“the Corporation”).

2. Scope - To adopt procurement policies which will apply to the procurement of goods and services paid for by the Corporation for its own use and account.

3. Purpose - The primary objectives of this Policy are to assure the prudent and economical use of public monies in the best interests of the Corporation, to facilitate the acquisition of goods and services of maximum quality at the lowest possible cost under the circumstances and to guard against favoritism, improvidence, extravagance, fraud and corruption.

B. Procedures.

1. The Corporation may, in its discretion, assign contracts for supervision and coordination to the successful bidder or proposer for any subdivision of work. Contracts awarded by the Corporation shall contain such other terms and conditions as the Corporation may deem desirable.

2. Solicitation Procedures for the Purchase of Commodities, Equipment, Goods or Construction, Demolition, Renovation and Reconstruction Services.

   a. Up to $5,000 per instance – a contract may be awarded and executed in the discretion of the Chairperson or Executive Director of the Corporation or authorized designee.

   b. Greater than $5,000 to $10,000 per instance – Upon receipt of documented written/ fax/ email quotations from at least three (3) vendors, a contract may be awarded and executed in the discretion of the Executive Director, or, in the absence of the Executive Director, the Chair of the Land Bank, or in her/his absence, the authorized designee of the Chair.

   c. Greater than $10,000 per instance – Bid award to the lowest bidder who, in the opinion of the Corporation and approved by the Board, is qualified to perform the work required and who is responsible and reliable.

3. Exceptions. Alternative proposals or quotations shall not be required for procurements made through or with respect to:

   a. New York State, Erie County or participating Municipality Contracts – when the Corporation is able to procure commodities, equipment, goods or services through New
York State, Erie County participating Municipality contracts, it is unnecessary to obtain quotations or bids;

b. Emergency Procurements – an emergency exists if the delay caused by soliciting quotes would endanger health, welfare, property or development opportunity. Approval of the Chairperson or Executive Director of the Corporation is necessary, which shall be documented and shall also include a description or the facts giving rise to the emergency;

c. Sole Source Procurements – A “sole source” means a situation where (i) there is only one possible source from which to produce goods and/or services available in the marketplace, (ii) no other goods and/or services provide substantially equivalent or similar benefits, and (iii) considering the benefits, the cost to the Corporation is reasonable;

d. Utilities and Affiliate Transactions – The purchase of utilities and inter-affiliate transactions are excepted from alternative proposal/quotation requirements;

e. Unavailability of three (3) vendors who are able or willing to provide a quote.

4. Basis for the Award of Contracts.

Contracts will be awarded to the lowest responsible dollar offeror who meets the specifications therefor, except in circumstances that the Corporation determines justify an award to other than the lowest responsible dollar offeror. The Corporation may reject any or all bids or waive any informality in a bid if it believes that the public interest will be promoted thereby. The Corporation may reject any bid, if, in its judgment, the business and technical organization, plant, resources, financial standing, or experience of the bidder justifies such rejection in view of the work to be performed. [NY N-PCL 1617]. In making any such determination, the Corporation shall consider relevant factors including, without limitation:

a. Delivery requirements

b. Quality requirements

c. Quantity requirements

d. Past vendor performance and/or experience

e. The unavailability of three or more vendors who are able or willing to quote on a procurement.

f. It may be in the best interests of the Corporation to consider only one vendor who has previous expertise with respect to a particular procurement.

g. Any procurement excepted from the alternative proposal/quotation requirements as set forth herein, and the procurement of professional services as set forth in this policy.
5. Documentation

a. A record of all solicitations for alternative proposals or quotations, the response (if applicable), and any determinations pursuant thereto shall be maintained in the procurement file.

b. For each procurement by the Corporation, the Chairperson or Executive Director of the Corporation or authorized designee shall set forth in writing the category of procurement that is being made and what method of procurement is specified.

c. Whenever an award is made to other than the lowest responsible dollar offeror the reasons for doing so shall be set forth in writing and maintained in the procurement file.

d. Whenever the specified number of quotations cannot or will not be secured, the reasons for this shall be indicated in writing and maintained in the procurement file.

C. Erie County Businesses and Minority & Women Owned Enterprises.

It is the preference of the Corporation to provide opportunities for the purchase of goods and services from (i) business enterprises located in Erie County and (ii) certified minority and/or women-owned business enterprises. To that end, the Corporation will utilize available lists of MBE/WBE firms certified by Erie County and Buffalo Joint Certification Committee and/or the State of New York and will solicit quotes and proposals from such businesses by notifying them of opportunities to submit proposals and quotes for goods and services.

D. Effect on Other Procurement Requirements.

Where the procurement of a specific good or service is to be accomplished using funds other than the funds of the Corporation and such funding sources specify different or more restrictive procurement requirements than are provided for in this Policy, the procurement requirements of the funding source will supersede the requirements of this Policy.

E. Professional Services.

Contracts for professional services involve the application of specialized expertise, the use of professional judgment, or a high degree of creativity. Professional services include services which require special education and/or training, license to practice or are creative in nature. Examples include but are not limited to lawyers, accountants, and engineers. Furthermore, professional service contracts often involve a relationship of personal trust and confidence.

In the selection of a provider of Professional Services up to $10,000 per instance, the discretion of the Chairperson or Executive Director of the Corporation or authorized designee.

In the selection of a provider of Professional Services which exceed $10,000 the Corporation shall issue a request for proposals. The Corporation may exercise its discretion and apply its judgment with respect to any aspect of the RFP, the evaluation of proposals, and the negotiations and award of any contract. The Corporation may enter into an agreement for only portions (or not to
enter into an agreement for any) of the services contemplated by the proposals with one or more of the proposers. The Corporation may select the proposal that best satisfies the interests of the Corporation and not necessarily on the basis of price or any other single factor. The Corporation reserves the right to weigh its evaluation criteria in any manner it deems appropriate.

F. Procurement of Insurance.

Procurement of Insurance Brokerage services is subject to this Policy as a professional service. Notwithstanding the foregoing actual insurance policies procured are not subject to requirements of this Policy.

G. Unintentional Failure to Comply.

The unintentional failure to comply with the provisions of this policy shall not be grounds to void action taken or give rise to a cause of action against the Corporation or any officer thereof.

H. General Requirements.

a. Regardless of the value of the Procurement Contract, any Procurement Contract involving services to be rendered over a period exceeding one year must be approved by resolution of the Board.

b. The form of every Procurement Contract shall be approved by the Corporation’s counsel prior to execution.

c. Procurement Contracts which require contractors to perform services on premises owned or controlled by the Corporation shall require proof of Worker’s Compensation and proof of liability insurance naming the Corporation as additional insured and shall provide that the contractor indemnifies the Corporation for the negligent acts and omissions of the contractor’s employees. When appropriate and at the discretion of the Board, these contracts may further require the contractor to provide proof of environmental pollution insurance.
Explanation and Amendments Made to Procurement Policy in 2014:

Section B (2)(b) of the Policy was amended for clarification and to make more stringent the procedure. The new version of the Policy specified that the contract could be awarded and executed by the Executive Director or in an absence, a Chairperson-authorized designee. Removed was language that allowed receipt of verbal quotations –only written, fax or email quotations can be considered.

Section H General Requirements was added in its entirety in 2014. Procedure and best practices of New York Land Bank operations prompted the inclusion of the section.
### Procurement Transactions Listing:

<table>
<thead>
<tr>
<th>Vendor Name</th>
<th>City of Buffalo</th>
<th>Vendor Name</th>
<th>Dreasher and Malecki</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type of Procurement:</td>
<td>Other</td>
<td>Type of Procurement:</td>
<td>Financial Services</td>
</tr>
<tr>
<td>Award Process:</td>
<td>Authority Contract - Non-Competitive Bid</td>
<td>Award Process:</td>
<td>Authority Contract - Competitive Bid</td>
</tr>
<tr>
<td>Award Date:</td>
<td>01/01/2014</td>
<td>Award Date:</td>
<td>01/01/2014</td>
</tr>
<tr>
<td>End Date:</td>
<td>12/31/2014</td>
<td>End Date:</td>
<td>12/31/2015</td>
</tr>
<tr>
<td>Amount:</td>
<td>$495,780</td>
<td>Amount:</td>
<td>$9,750</td>
</tr>
<tr>
<td>Amount Expended for Fiscal Year:</td>
<td>$495,780</td>
<td>Amount Expended for Fiscal Year:</td>
<td>$9,750</td>
</tr>
<tr>
<td>Fair market value:</td>
<td>$495,780</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Explain why the fair market value is less than the amount:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Address Line1:</td>
<td>Buffalo City Hall</td>
<td>Address Line1:</td>
<td>3031 William Street</td>
</tr>
<tr>
<td>Address Line2:</td>
<td>45 Niagara Square</td>
<td>Address Line2:</td>
<td>CHEektowaga</td>
</tr>
<tr>
<td>City:</td>
<td>BUFFALO</td>
<td>City:</td>
<td>NY</td>
</tr>
<tr>
<td>State:</td>
<td>NY</td>
<td>State:</td>
<td>NY</td>
</tr>
<tr>
<td>Postal Code:</td>
<td>14202</td>
<td>Postal Code:</td>
<td>14227</td>
</tr>
<tr>
<td>Province Region:</td>
<td>USA</td>
<td>Province Region:</td>
<td>USA</td>
</tr>
<tr>
<td>Procurement Description:</td>
<td>Reimbursement of demolition services in the City of Buffalo as agreed to in an agreement and subcontract between the City, the Authority and the Office of the Attorney General, under the Office of the Attorney General's Community Revitalization Initi</td>
<td>Procurement Description:</td>
<td>Dreasher and Malecki: Certified Public Accountants (auditors)Engaged for Authority's required annual audit</td>
</tr>
</tbody>
</table>
INVESTMENT GUIDELINES

Section 1 - Scope

Section 2925 of the Public Authorities Law requires the Buffalo Erie Niagara Land Improvement Corporation (the “Corporation”) to adopt by resolution comprehensive investment guidelines which detail its operative policy and instructions to officers and staff regarding the investing, monitoring and reporting of funds of the Corporation. This investment and deposit policy (“Investment Policy”) is adopted by the Corporation pursuant to the foregoing provisions of the Public Authorities Law and General Municipal Law and shall apply to all moneys and other financial resources available for investment on the Corporation’s own behalf or, where applicable, on behalf of any other entity or individual.

This Investment Policy shall be applicable to the Buffalo Erie Niagara Land Improvement Corporation and such other affiliates as may hereafter be established by the Corporation and which are determined to be subject to the requirements of Section 2925 of the Public Authorities Law (a “Corporation Affiliate”) (hereinafter collectively referred to as the “Corporation”) upon approval by the respective Boards of each corporation. Unless otherwise indicated, all references to the “Corporation” herein shall also include the Corporation Affiliates.

Section 2 - Governing Principles

A. Investment Objectives.

The primary objectives of the Corporation’s investment policy are, in order of priority, as follows: (i) to conform with all applicable federal, state and local laws and legal requirements; (ii) to adequately safeguard principal; (iii) to provide sufficient liquidity to meet all operating requirements of the Corporation; and (iv) to obtain a reasonable rate of return.

B. Diversification.

The policy of the Corporation is to diversify by investment instrument, by maturity and where practicable by financial institution.

C. Internal Controls.

1. All funds received by an officer or employee of the Corporation shall be promptly deposited with the depositories designated by the Corporation (pursuant to Section 3.A of this Investment Policy) for the receipt of such funds.

2. The Treasurer of the Corporation shall maintain or cause to be maintained a proper record of all books, notes, securities or other evidence of indebtedness held by the Corporation for investment and deposit purposes. Such record shall identify the security, the fund for which it is held, the place where kept, the date of sale or other disposition, and the amount received from such sale or other disposition.

3. The Corporation is responsible for establishing and maintaining an internal control structure to provide reasonable, but not absolute, assurance that deposits and investments are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management’s authorization and recorded properly, and are managed in compliance with applicable laws and regulations.

D. Authorized Financial Institutions and Dealers.

The Corporation shall maintain a list of financial institutions and dealers approved for investment purposes and establish appropriate limits to the amount of investments that may be outstanding with each financial institution or dealer. All financial institutions with which the Corporation conducts business must be creditworthy as determined by criteria established by the Treasurer of the Corporation. All banks with which the Corporation does business shall provide their most recent Consolidated Report of Condition (Call Report) at the request of the Corporation. Security dealers not affiliated with a bank shall be required to be classified as reporting dealers affiliated with the New York Federal Reserve Bank, as primary dealers.

E. Purchase of Investments.

The Corporation may contract for the purchase of investments directly, including through a repurchase agreement, from an authorized trading partner. All purchased obligations, unless registered or inscribed in the name of the Corporation, shall be purchased through, delivered to, and held in the custody of a bank or trust company. Such obligations shall be purchased, sold or presented for redemption or payment by such bank or trust company only in accordance with prior written authorization from the officer authorized to make the investment. All such transactions shall be confirmed in writing to the Corporation by the bank or trust company shall be held pursuant to a written custodial agreement as described in Section 4.C.2 of this Policy.

F. Repurchase Agreements.

The Corporation may enter into repurchase agreements subject to the following restrictions:

1. All repurchase agreements must be entered into subject to a Master Repurchase Agreement.

2. Trading partners are limited to commercial banks or trust companies authorized to do business in New York State and primary reporting dealers.

3. Obligations shall be limited to obligations of the United States of America and obligations guaranteed by agencies of the United States of America.

4. No substitution of securities will be allowed.

5. Obligations purchased pursuant to a repurchase agreement shall be held by a custodian other than the trading partner, pursuant to a written custodial agreement that complies the terms of Section 4.C.2 of this Policy.

Section 3 - Investments

A. General Policy.

It is the general policy of the Corporation that funds not required for immediate expenditure shall be invested as described in Section 3.B below. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the safety of the principal as well as the probable income to be derived.

B. Permitted Investments.
The Fiscal Agent, Treasurer and/or Executive Director are authorized to invest funds not required for immediate expenditure in the following investments:

1. Special time deposit accounts in, or certificates of deposit issued by any commercial bank or trust company that is located in and authorized to do business in New York State, provided that such deposit account or certificate of deposit is secured in the same manner as provided in Section 4.B. of this Investment Policy and is payable within such time as the proceeds shall be needed to meet expenditures for which the funds were obtained;

2. Obligations of the United States of America;

3. Obligations guaranteed by agencies of the United States of America where the payment of principal and interest are guaranteed by the United States of America;

4. Obligations of the State of New York; and

5. Such other obligations as may be permitted by law.

All investments as provided in Sections B.2 through B.5. of this Section shall be payable or redeemable at the option of the Corporation within such times as the proceeds will be needed to meet expenditures for purposes for which the moneys were provided and, in the case of obligations purchased with the proceeds of bonds or notes, shall be payable or redeemable at the option of the Corporation within two years of the date of purchase.

Section 4 - Deposits

A. Designation of Depositories.

The Corporation shall, by resolution, designate one or more commercial banks or trust companies for the deposit of Corporation funds received by the Corporation. Such resolution shall specify the maximum amount that may be kept on deposit at any time with each bank or trust company. Such designations and amounts may be changed at any time by further resolution of the Corporation.

B. Collateralization of Deposits.

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 shall be secured as follows:

1. By a pledge of “eligible securities” with an aggregate “market value” as defined by Section 10 of the General Municipal Law, at least equal to the aggregate amount of deposits. A list of eligible securities is attached hereto as Schedule A.

2. By an irrevocable letter of credit issued by a qualified bank (other than the bank with which the money is being deposited or invested) in favor of the Corporation for a term not to exceed ninety (90) days with an aggregate value equal to 140% of the aggregate amount of deposits and the agreed upon interest, if any. A qualified bank is one whose commercial paper and other unsecured short-term debt obligations are rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization or by a bank that is in compliance with applicable minimum risk-based capital requirements.

3. By an eligible surety bond payable to the Corporation for an amount at least equal to 100% of the aggregate amount of deposits and the agreed upon interest, if any, executed by an insurance company authorized to do business in New York State, whose claims-paying ability is rated in the highest rating category by at least two nationally recognized statistical rating organizations. The terms and conditions of any eligible surety bond shall be subject to Corporation Board approval.
C. Safekeeping and Collateralization.

Eligible securities used for collateralizing deposits shall be held by the depository and/or third party bank or trust company subject to security and custodial agreements as described below.

1. Security Agreement Requirements. The security agreement shall provide that eligible securities are being pledged to secure Corporation deposits together with agreed upon interest, if any, and any costs or expenses arising out of the collection of such deposits upon default. It shall also provide the conditions under which the securities may be sold, presented for payment, substituted or released and the events which will enable the Corporation to exercise its rights against the pledged securities. In the event that the securities are not registered or inscribed in the name of the Corporation, such securities shall be delivered in a form suitable for transfer or with an assignment in blank to the depository or its custodial bank.

2. Custodial Agreement Requirements. The custodial agreement shall provide that securities held by the bank or trust company, as agent of and custodian for the Corporation, will be kept separate and apart from the general assets of the custodial bank or trust company and will not, in any circumstances, be commingled with or become part of the backing for any other deposit or other liabilities. The custodial agreement should also describe that the custodian shall confirm the receipt, substitution or release of the securities. The custodial agreement shall provide for the frequency of revaluation of eligible securities and for the substitution of securities when a change in the rating of a security may cause ineligibility. Such agreement shall include all provisions necessary to provide the Corporation a perfected interest in the securities and may include such other terms as the Corporation Board deems necessary.

Section 5 - Monitoring and Reporting Obligations

The following monitoring and reporting procedures shall be applicable in connection with the deposit and investment of funds subject to this Investment Policy:

A. Monthly Monitoring.

Each cash and investment account statement will be reviewed and reconciled by the Corporation’s Treasurer on a monthly basis. The Treasurer will review each account reconciliation for accuracy and will investigate any unusual items noted.

B. Monitoring and Reporting.

Pursuant to Section 2925(5) of the Public Authorities Law, the Treasurer of the Corporation shall present a report at each meeting of the Corporation Board of Directors which will include the following information: (i) the cash and investment balances of the Corporation; (ii) identification of any new investments since the last report; (iii) information concerning the selection of investment bankers, brokers, agents dealers or auditors since the last report; and (iv) the names of the financial institutions holding Corporation deposits.

C. Annual Monitoring and Reporting.

1. On an annual basis, the Corporation will obtain an independent audit of its financial statements, which shall include an audit of its cash and investments and the Corporation’s compliance with this Investment Policy. The results of the independent audit shall be made available to the Corporation Board at the time of its annual review of this Investment Policy.

2. Pursuant to Section 2925(6) of the Public Authorities Law, Corporation staff shall, on an annual basis, prepare and submit for Corporation Board approval an investment report which shall include this Investment Policy, amendments to
the Investment Policy since the last investment report, an explanation of the Investment Policy and any amendments, the results of the annual independent audit, the investment income record of the Corporation and a list of the total fees, commissions or other charges paid to each investment banker, broker, agent, dealer and advisor rendering investment associated services to the Corporation since the last investment report. The investment report will be distributed to those individuals identified in Section 2925(7)(b) of the Public Authorities Law. The Corporation shall make available to the public copies of its investment report upon reasonable request therefor.

Section 6 - Annual Review

This Investment Policy shall be reviewed and approved by the Corporation Board of Directors on an annual basis.

Section 7 - Repeal of Prior Investment Guidelines

None

Section 8 - Savings Clause

Nothing contained in Section 2925 of the Public Authorities Law shall be deemed to alter, affect the validity of, modify the terms of or impair any contract, agreement or investment of funds made or entered into by the Corporation in violation of, or without compliance with the provisions of Section 2925 of the Public Authorities Law.
SCHEDULE A

ELIGIBLE SECURITIES

Obligations issued by the United States of America, an agency thereof or a United States government sponsored corporation or obligations fully insured or guaranteed as to the payment of principal and interest by the United States of America, an agency thereof or a United States government sponsored corporation.

Obligations issued or fully guaranteed by the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank and the African Development Bank.

Obligations partially insured or guaranteed by any agency of the United States of America, at a proportion of the Market Value of the obligation that represents the amount of the insurance or guaranty.

Obligations issued or fully insured or guaranteed by the State of New York, obligations issued by a municipal corporation, school district or district corporation or such State or obligations of any public benefit corporation which under a specific State statute may be accepted as security for deposit of public moneys.

Obligations issued by states (other than the State of New York) of the United States rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization.

Obligations of Puerto Rico rated in one of the three highest rating categories by at least one nationally recognized statistical rating organization.

Obligations of counties, cities and other governmental entities of another state having the power to levy taxes that are backed by the full faith and credit of such governmental entity and rated in one of the three highest categories by at least one nationally recognized statistical rating organization.

Obligations of domestic corporations rated one of the two highest rating categories by at least one nationally recognized statistical rating organization.

Any mortgage related securities, as defined in the Securities Exchange Act of 1934, as amended, which may be purchased by banks under the limitations established by bank regulatory agencies.

Commercial paper and bankers’ acceptances issued by a bank (other than the bank with which the money is being deposited or invested), rated in the highest short term category by at least one nationally recognized statistical rating organization and having maturities of not longer than sixty days from the date they are pledged.

Zero Coupon obligations of the United States government marketed as “Treasury STRIPS”.

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AMENDMENTS TO INVESTMENT POLICY FY 2014:

NONE

EXPLANATION OF THE INVESTMENT GUIDELINES:

Adopted pursuant to PAL § 2925

These guidelines restrict investment of the Corporation’s funds to deposits in federally insured banks. The Corporation has not made any amendments to its investment policy.

RESULTS OF THE INDEPENDENT ANNUAL AUDIT:

BUFFALO ERIE NIAGARA LAND IMPROVEMENT CORPORATION

Schedule of Corporation Investments
Year Ended December 31, 2014

Annual Investment Report - §2925(6) of Public Authorities Law of the State of New York requires that each public authority must annually prepare an investment report which shall include (a) investment guidelines, (b) amendments to such guidelines since the last investment report, (c) an explanation of the investment guidelines and amendments, (d) results of the annual independent audit, (e) the investment income record of the corporation, and (f) a list of the total fees, commissions or other charges paid to each investment banker, broker, dealer and adviser rendering investment associated services to the Corporation since the last investment report.

a. Investment guidelines—The Corporation’s investment policies are governed by State statutes. All investments are maintained in bank deposit accounts which are federally insured. The Corporation's deposits are held at quality institutions.

b. Amendments to guidelines—None

c. Explanation of guidelines and investments—These guidelines restrict investment of the Corporation’s funds to deposits in federally insured banks. The Corporation has not made any amendments to its investment policy.

d. Results of the annual independent audit—The independent auditors have issued an unmodified opinion on the Corporation’s financial statements for the year ended December 31, 2014.

e. Investment income record—Investment income for the year ended December 31, 2014 consisted of:

Interest Earned
Interest earned on cash and cash equivalents $ 212

f. List of the total fees, commissions or other charges paid to each investment banker, broker, dealer and adviser rendering investment associated services to the Corporation since the last investment report—No such fees or commissions were paid during the year ended December 31, 2014.
INVESTMENT INCOME RECORD OF BENLIC:

Interest earned on cash and cash equivalents, year ended 12/31/2014: $212.00

No fees or commissions were paid during the year ended 12/31/2014