



## Legislation Text

---

**File #:** Int 0570-2024, **Version:** B

---

Int. No. 570-B

By Council Members Brewer, Hanif, Sanchez, Nurse, Won, Bottcher, Restler, Hudson, Cabán, Williams, Avilés, Krishnan, Hanks, Ayala, Farías, Banks, Schulman, Ossé, Stevens, Joseph, Brooks-Powers, Gutiérrez, Powers, Louis, Lee, Marte, Brannan and the Public Advocate (Mr. Williams)

A Local Law to amend the administrative code of the city of New York, in relation to creating a land bank

Be it enacted by the Council as follows:

Section 1. Declaration of legislative intent and findings. The Council hereby finds that the preservation of homeownership, prevention of displacement of residents from their dwellings, and maximization of the productive use of tax-foreclosed properties are crucial objectives in New York City's ongoing effort to ameliorate the inadequate supply of affordable housing. The Council finds that the City's practice of selling tax liens to a trust to enforce tax debts overlooks these objectives, resulting in suboptimal outcomes.

The Council further finds that the City should use every appropriate tool available to promote homeownership, access to affordable housing, and local economic revitalization, and that the City should coordinate its efforts and resources whenever possible to achieve these goals. The New York State Land Bank Act (Act) authorizes local governments to adopt local legislation to establish a land bank to use new State-created tools and funds to address the problems caused by vacant, abandoned, and tax-delinquent properties. Among other tools, the Act authorizes land banks to purchase tax liens from municipalities and to enforce such tax liens, including through foreclosure actions, subject to terms and conditions of sale set by the City.

The Council hereby declares that enactment of this law and establishment of a land bank are necessary to preserve the ownership and equity interests of homeowners, prevent the displacement of residents from their dwellings, and promote the productive use of tax-foreclosed, vacant, and abandoned properties to meet the

needs of the surrounding community and city, in conjunction with the enforcement of tax liens.

§ 2. A land bank shall be established in the city of New York upon the review and approval by the urban development corporation of the local law that added this section. For purposes of this local law, the term “land bank” means the land bank established pursuant to this local law as a charitable not-for-profit corporation under the not-for-profit corporation law and in accordance with article 16 of such law.

§ 3. Section 1-112 of the administrative code of the city of New York, as amended by local law number 12 for the year 2024, is amended by adding a new subdivision 24 to read as follows:

24. “The New York city land bank.” The term “New York city land bank” means a land bank established pursuant to a local law for the year 2025, relating to creating a land bank, as proposed in introduction number 570-b.

§ 4. Pursuant to subdivision (a) of section 1603 of the not-for-profit corporation law, the council hereby specifies the following:

a. The name of the land bank shall be “New York City Land Bank.”

b. There shall be 7 members of the board of directors of the land bank unless adjusted in accordance with the bylaws of the land bank.

c. 1. The individuals to serve as members of the board of directors of the land bank shall be:

(a) The mayor or their designee;

(b) The commissioner of finance or their designee;

(c) The commissioner of housing preservation and development or their designee;

(d) Three persons appointed by the speaker of the council; and

(e) One person appointed by the mayor, which appointment shall be made with the advice and consent of the council after a public hearing. Within 30 days after the first stated meeting of the council after receipt of a nomination for such appointment by the mayor, the council shall hold a hearing and act upon such nomination and in the event it does not act within such period, the nomination shall be deemed to be confirmed.

2. Each member of the board of directors shall serve a term of 4 years.

3. The initial individuals to serve as members of the board of directors shall be appointed in the same manner as set forth in paragraph 1 of this subdivision.

4. Five members of the board of directors shall constitute a quorum for the purpose of conducting the business of such board.

d. A person may not serve as a member of the board of directors unless such person (i) has appropriate experience in real estate, finance, property management, community planning and development, or other relevant field; and (ii) is a resident of the city of New York throughout their service as a member of the board of directors. Appointments of members of the board of directors shall be made to ensure a diverse and balanced representation of subject matter and experiential expertise.

e. A vacancy on the board of directors shall be filled in the same manner as the original appointment; provided however that an appointment to fill a vacancy shall be made within 60 days of the occurrence of the vacancy and in the case of an appointment subject to advice and consent of the council, the mayor shall submit to the council the name of the mayor's nominee for appointment within 60 days of the occurrence of the vacancy. If the council disapproves a nomination, the mayor shall submit a new nomination to the council within 60 days of council disapproval. Each subsequent disapproval of a mayoral nomination shall begin a new 60-day period. The mayor shall make all reasonable efforts to ensure that the vacancy is filled within 120 days of the occurrence of the vacancy. A member appointed to fill a vacancy shall serve for the remainder of the unexpired term of the member whose seat became vacant.

f. The certificate of incorporation reflecting the articles of incorporation for the land bank shall take the following form and shall contain any additional information required by the urban development corporation for the purpose of reviewing and approving an application to create a land bank, and any additional contents required by section 402 of the not-for-profit corporation law, including the names and addresses of the initial individuals appointed or designated pursuant to section four and six of this local law:

CERTIFICATE OF INCORPORATION OF NEW YORK CITY LAND BANK  
(Under section 402 of the Not-for-Profit Corporation Law)

1. Name. The name of the corporation is NEW YORK CITY LAND BANK (hereafter referred to as the Land Bank).

2. Type of Corporation; Members. The Corporation is a “corporation” as defined in subparagraph (5) of paragraph (a) of Section 102 of the Not-for-Profit Corporation Law and is a charitable corporation under Section 201 of said law. The Corporation is also a “land bank” pursuant to Section 1602 of the Not-for-Profit Corporation Law. The Corporation shall have no members, as such term is defined in Section 102 of the Not-for-Profit Corporation Law.

3. Purposes. The Land Bank is formed to perform the functions and fulfill the purposes of a land bank as described in Article 16 of the Not-for-Profit Corporation Law and as further described by a local law for the year 2025 relating to creating a land bank, as proposed in introduction number 570-B. Notwithstanding any other provision of this Certificate, the Land Bank is organized exclusively for charitable, educational, and nonprofit purposes, and not for pecuniary or financial gain, as specified in Section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future tax code.

4. Powers. In furtherance of the purposes and objectives set forth in Article 3, the Land Bank shall have all of the powers now or hereafter set forth in Sections 202 and 1607 of the Not-for-Profit Corporation Law and any other applicable law except as limited herein.

5. Office. The office of the Land Bank is to be located in the County of New York, State of New York.

6. Registered Agent. The Secretary of the State of New York is hereby designated the agent of the Land Bank upon whom process against it may be served. The Secretary of State shall mail a copy of any process against the Land Bank served upon the Secretary of State as agent of the Land Bank to the Mayor of the City of New York at City Hall, New York City, New York 10007.

7. The Land Bank is formed to engage in an activity or for a purpose requiring consent or approval of a state official, department, board, agency or other body. Such consent or approval is attached.

8. Notwithstanding any other provision of these articles, the Land Bank shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or (b) by a corporation, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code, or the corresponding section of any future federal tax code. This language relates to the Land Bank’s tax exempt status and is not a statement of purposes and powers. Consequently, this language does not expand or alter the Land Bank’s purposes or powers set forth in Articles 3 or 4.

§ 5. The board of directors of the land bank shall adopt and maintain bylaws to establish a hierarchical ranking of priorities for the use of real property conveyed by the land bank. Before adopting such bylaws, the land bank shall hold a public hearing and solicit public comment on such bylaws.

§ 6. The appointment or designation of individuals to serve as members of the board of directors specified in paragraph 1 of subdivision c of section four of this local law shall be made no later than 180 days after the effective date of this local law. Such individuals shall constitute a working group for the purpose of preparing and completing an application to be submitted by the mayor to the urban development corporation pursuant to section seven of this local law.

§ 7. a. The working group established pursuant to section six of this local law shall submit a complete application for the creation of a land bank to the mayor, who shall submit such application to the urban development corporation no later than 1 year, or 18 months, provided that such working group has submitted a letter in writing to the speaker of the council demonstrating that additional time is needed to complete such application, after the effective date of this local law, for the purpose of obtaining approval to create such land bank. Such application shall be prepared and completed in accordance with article 16 of the not-for-profit corporation law, the guidelines of the New York state land bank program and any other applicable requirements of such program and the urban development corporation, and this local law. The working group shall respond promptly to any requests received from the urban development corporation for additional information and documentation in relation to the review of such application and shall provide such additional information and documentation in a prompt manner. The members of the working group shall make themselves available to meet with staff of the urban development corporation if requested by the urban development corporation in relation to the review of such application. In preparing and completing such application, the working group shall seek input from relevant stakeholders, including not-for-profit corporations that operate in the city of New York to foster neighborhood stabilization and revitalization through the protection, preservation, and development of properties that contain affordable housing, commercial uses, and community uses.

b. In preparing and completing the application for the land bank, the working group shall include a description of the overall goals, mission, and focus of the land bank, which shall include the enforcement of tax liens, including commencing actions to foreclose a tax lien pursuant to section 11-335 of the administrative

code of the city of New York or exercising power authorized under section 1616 of the not for profit corporation law, pursuant to policies and procedures intended to promote the goals of collecting outstanding revenues of the city of New York; preserving ownership and equity interests in homes; preventing the displacement of residents from their dwellings; promoting proper and effective management of multiple dwelling residences; and preventing recidivism among properties with tax liens.

c. The city shall provide appropriate assistance to support the work of the working group.

§ 8. The working group shall submit a copy of the application completed pursuant to section seven of this local law to the mayor and the speaker of the council no later than 10 days before the mayor is required to submit such application to the urban development corporation as required by subdivision a of section seven of this local law.

§ 9. This local law takes effect on the same date as a local law for the year 2025 amending the administrative code of the city of New York, relating to the sale of tax liens, as proposed in introduction number 1407-A, takes effect.

Session 13

NC

LS # 8755

12/10/25

Session 12

AV/EH

LS #8755

9/22/22