

# **Bond Case Briefs**

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## **ZONING & PLANNING - NEW YORK**

### **In re Suffolk Regional Off-Track Betting Corporation**

**United States Bankruptcy Court, E.D. New York - September 27, 2018 - B.R. - 2018 WL 4715371**

Plaintiffs brought state-court action against village, village's board of trustees, and property owner that was operating partner of Chapter 9 debtor, a regional off-track betting corporation organized under the New York Racing, Pari-Mutuel Wagering and Breeding Law, alleging, inter alia, that board violated the Municipal Home Rule Law (MHRL) by adopting, without a mandatory referendum, a zoning amendment that permitted construction of video lottery terminal (VLT) facility with off-track betting simulcast facility on property that had been site of hotel.

After debtor successfully moved to intervene as defendant, action was removed to bankruptcy court, and defendants filed joint motion to dismiss for failure to state a claim.

The Bankruptcy Court held that under New York law, the subject amendment did not abolish, transfer, or curtail the power of any elective officer, and so was not subject to the mandatory referendum requirement.