

A Strategic Partnership:

The City of Syracuse
and the

Greater Syracuse Property
Development Corporation (GSPDC)

A land bank formed by the City of
Syracuse and Onondaga County

Objectives when forming a land bank

1. Take control of tax-delinquent, abandoned properties in order to facilitate their return to productive use
2. Increase property tax collection rates within the City of Syracuse

Defining the Problem

- **Vacant buildings**

1,800 vacant buildings

Only 1/3 seizable for tax delinquency

- **Tax-Delinquent properties**

Approx. 3,900 properties eligible for foreclosure

- 50% occupied buildings, 30% vacant lots, 20% vacant buildings
- 94% of levy collected in current-year, 4% collected late, 2% “uncollectable”
- However, since these are low-value properties – **9% of all parcels in the city are eligible for foreclosure and an additional 4% are tax delinquent, but not yet seizable.**

Defining the Problem (con't.)

- Due to past tax collection policies:
 - A growing pool of 3,300 – 3,900 properties eligible for foreclosure has turned into a “backlog” not being addressed by existing policy
 - An additional 600 properties become seizable each year (most redeem over the course of the year, but the backlog gradually grows)
- Existing collection/foreclosure policy not capable of addressing the scale of the problem.

Tax Collection in Syracuse

Historically:

- Tax Auctions
- Tax-Lien Sales

Proposed shift: Comprehensive Foreclosure Policy

- Municipality forecloses once liens reach the end of their redemption period.
- Collection rate increases.
- Transfers foreclosed properties to the land bank.
 - Strategic stabilization/investment returns many properties to productive use, improves neighborhoods, and grows the tax base.

Taking Control of Abandoned Properties

- An entity to take ownership of foreclosed properties
- Allows property inspections prior to sale – enables better redevelopment plans and traditional financing
- Properties proactively marketed for return to productive use
- Reduced transaction time
- Revenues from property sales reinvested in stabilizing blighted properties
- Reduces real-estate speculation
- Site assembly

City and Land Bank Coordination

The land bank is a revitalization tool for the City to use to combat abandonment, improve neighborhoods, and grow the tax base:

- City adopts other policies and regulations to address vacant property and complement the land bank
- City forecloses on property and then transfers title to the land bank
- City provides financial support for the land bank's redevelopment work
 - 1/2 of seizable properties will likely pay to avoid foreclosure, dramatically increasing collection of delinquent taxes
- Citizens' Advisory Board appointed by Council, Mayor, and County Legislature advise the land bank on property maintenance, redevelopment, and disposition policies
- City tells the land bank how and where to redevelop properties (geographic and thematic priorities) via a Redevelopment Plan developed by the CAB and City Planning office, and approved by Council

Expected Results

It took a long time for 3,900 properties to become seizable, so we'll take three years to work through the backlog of foreclosures.

In the future, we anticipate foreclosing on less than 100 properties each year.

Seizable Backlog	# Seizable	Anticipated to be Foreclosed Upon
Occupied Buildings	1,768	250
Vacant Buildings	727	550
Vacant Lots	1,101	1,000

- Foreclosure prevention for owner-occupants
- No need to disrupt tenants' lives, a property manager will be hired by the land bank and they'll be sold to a responsible landlord ASAP, or to the tenants if they're interested and good candidates.
- Reinvestment in targeted areas according to the Redevelopment Plan

Greater Syracuse Property Development Corporation

<http://www.syracuse.ny.us/GSPDC.aspx>

For more information, email:

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