

New York State Land Banks:

Combating Blight and Vacancy in New York Communities



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Issues of vacancy and blight are increasingly problematic for communities across the country.

From overgrown brownfield sites scattered across a region to entire blocks of abandoned homes, the challenges posed by vacancy and blight have compelled a renewed and urgent focus on both stabilization and revitalization strategies by all levels of governments, as well as residents and community stakeholders. And land banks are proving to be one of the most prominent and effective tools for combating vacancy and blight.

New York joined a few other states at the front of this national movement a few years back, when forward-thinking state leaders championed and passed the 2011 Land Bank Act. The legislation offers local leaders the chance to create land banks, providing communities another powerful tool to help reinvent and revitalize neighborhoods.

This brief report offers a history and assessment of the emerging land bank movement in New York.

VACANCY:

A National Crisis

Communities across the country – particularly in the “Rust Belt” of the Northeast and Midwest – have struggled for decades with impacts of deindustrialization and economic decline. Many New York communities, particularly within Upstate, are familiar with these issues. The 2008 recession presented a new challenge to these areas, while exposing vulnerabilities within previously booming metros, as well. Today, many places in New York are turning a corner on investment, development, and growth, but serious challenges remain. Among the most pervasive of these challenges are blight and vacancy. From abandoned homes to shuttered shop windows and contaminated brownfields, New Yorkers can point to the properties in their communities that stymie progress.

Studies have shown that vacant, abandoned, and tax-delinquent properties—often grouped together as “problem properties”—are major nuisances that undermine the economic, social, and environmental health of our communities. Problem properties destabilize neighborhoods, create fire and safety hazards, drive down property values, and drain local tax dollars.

Cities across New York, particularly Upstate, know these negative impacts all too well, and have been engaged in an aggressive fight against blight for decades.

270,510

**Vacant housing units in NY State
(not for sale, for rent, or
seasonally occupied)**

34%

**Housing units in NY State
constructed before 1940**

- U.S. Census, 2012 American
Community Survey 5-year estimate

Although vacant homes can be found throughout the country, they tend to be concentrated; nearly 40 percent of the nation's vacant homes are located in just 10 percent of all census tracts.¹

In the City of Philadelphia, vacant parcels have a blighting effect on nearby properties, reducing values by 6.5 percent citywide and by up to 20 percent in some neighborhoods. This results in an estimated \$3.6 billion reduction in property values, an average of \$8,000 for each household in the City.²

There have been notable successes here in New York over the years. Many cities have passed new vacant property registration ordinances and launched new rental registration programs. Some cities have cultivated deep community relationships, building up civic capital to help transform vacant spaces into vibrant places. More and more cities are partnering with county governments or local educational centers to rethink data collection and information management systems, recognizing that reliable and accurate data must be the starting point for all strategic decisions, particularly the allocation of limited resources. Meanwhile, a decade's worth of New York State programs, from the Restore NY Grant Program to the Regional Economic Development Councils, have brought hundreds of millions of dollars to New York communities, allowing local leaders to eliminate blight and address their own unique and urgent needs. In many communities, however, these solutions are not enough.

In New York, and across the country, there has been a growing awareness that an effective approach to problem properties requires more than just a few tweaks to our existing tools and laws. There also needs to be new tools, determined political leadership at all levels of government, deeper collaborations across sectors, data-driven decision making and investment strategies, and a recurring and diverse funding strategy.

Fortunately, New York has joined a few other states in blazing a new path in the fight against blight the last couple of years, and the early returns look promising.

1. Elizabeth A. Duke. 2012. “Addressing Long-Term Vacant Properties to Support Neighborhood Stabilization,” speech at the Federal Reserve Bank of New York, 3 (<http://www.federalreserve.gov/newsevents/speech/duke20121005a.pdf>)

2. Econsult Corporation, Penn Institute for Urban Research, and May 8 Consulting. 2010. “Vacant Land Management in Philadelphia: The Costs of the Current System and the Benefits of Reform,” Redevelopment Authority of the City of Philadelphia, ii. (<http://www.econsult.com/projectreports/VacantLandFullReportForWeb.pdf>)

LAND BANKS:

A New Tool To Combat Blight



Photos: Rochester Land Bank Corporation

“A land bank, therefore, is designed specifically to address the inventory of problem properties the private market has discarded.”

Issues of vacancy and blight are increasingly problematic for communities across the country. From overgrown brownfield sites scattered across a region to entire blocks of abandoned homes, the challenges posed by vacancy and blight have compelled a renewed and urgent focus on both stabilization and revitalization strategies by all levels of governments, as well as residents and community stakeholders. And land banks are proving to be one of the most prominent and effective tools for combating vacancy and blight. New York joined a few other states at the front of this national movement a few years back, when forward-thinking state leaders championed and passed the 2011 Land Bank Act. The legislation offers local leaders the chance to create land banks, providing communities another powerful tool to help reinvent and revitalize neighborhoods.

So what are land banks? Technically, land banks are government-created nonprofit corporations that are focused on the conversion of vacant, abandoned, and tax delinquent properties into productive use.

In essence, land banks are designed to acquire and maintain problem properties and then transfer them back to responsible ownership and productive use in accordance with local land use goals and priorities. This creates a more efficient and effective system to eliminate blight. Ultimately, land banks acquire title to problem properties, eliminate the liabilities, and transfer the properties to new, responsible owners in a transparent manner that results in outcomes consistent with community-based plans.

Most land banks have special powers, granted by state legislation, that enable them to undertake these activities more effectively and efficiently than other public or nonprofit entities. When thoughtfully executed, land banking can resolve some of the toughest barriers to returning land to productive use, helping to unlock the value of problem properties and convert them into assets for community revitalization.

Problem properties often have serious legal and financial barriers that detract responsible, private investors. For instance, many abandoned properties have a clouded title, which introduces a level of uncertainty and liability few responsible investors, if any, are willing to assume. Also, many tax-foreclosed properties have accumulated years of back taxes that far exceed the market value of the property. Similarly, many properties left vacant and abandoned for too many years require costly repairs that greatly exceed what the market could ever return. A land bank, therefore, is designed *specifically* to address the inventory of problem properties the private market has discarded, and to convert these neighborhood liabilities into assets that advance community-based goals.

5 Key Attributes of Successful Land Banks

While all land banks exist to serve the same primary purpose, they are quite diverse in their structure and operations. According to a 2014 national survey by the Center for Community Progress, a national leader on solutions for vacant, abandoned, and other problem properties, there are approximately 120 land banks and land banking programs across the country. These land banks vary greatly in terms of the types of cities, regions, and economic conditions in which they operate; the size of their inventories; their staff capacity; their legal authorities; and their goals and programs.

Despite this diversity, Community Progress outlines and remarks on some of the key attributes shared by successful land banks:

1

Strategic links to the tax collection and foreclosure process

With many problem properties moving through the tax foreclosure process, successful land banks have established strategic links to the tax foreclosure process as a primary source of property acquisitions. This is particularly true in communities where (a) a primary cause of vacancy and abandonment is an ineffective tax foreclosure process and (b) where there are statutory powers, intergovernmental agreements, or policies in place for a land bank to acquire properties through the tax foreclosure process at little to no cost. Though auctions can generate positive outcomes for marketable properties, the speculative auction rarely, if ever, leads to positive outcomes for problem properties. Land banks can and should play a key role in acquiring and converting tax-foreclosed properties to productive use.

Successful land banks have established acquisition and disposition strategies that directly support the implementation of local land use goals and meet community needs. Some land banks tackle massive inventories of extremely unsafe and abandoned properties as part of an urgent stabilization and public safety strategy, while others operate selectively with extreme deliberation. Regardless of the scale of operations, land banks should always make decisions based on a strong understanding of community priorities and goals, coordinate with other local partners, and complement existing blight prevention strategies.

2

Operations scaled in response to local land use goals

3

Policy-driven, transparent and publicly accountable transactions

The acquisition and disposition of properties – especially those that have long been harmful eyesores – is an important and sensitive endeavor. Successful land banks have gone to great lengths to build and maintain trust with the public through complete transparency in the establishment of priorities, policies, and procedures that govern all actions. Land banks should make sure these ground rules and policies are established prior to any transactions, and annually revisited with public input to maintain a high standard of transparency and accountability.

There is no substitute for engaged community stakeholders who understand a community's history and goals. And successful land banks have found creative and consistent ways to inform, engage, and empower these active residents to help prioritize land bank interventions and develop long-term solutions. Whether establishing a community advisory board or regularly hosting neighborhood meetings, land banks should explore and implement practices that affirm a strong commitment to inclusiveness, engagement, and empowerment.

4

Engagement with residents and other community stakeholders

5

Alignment with other local or regional tools and community programs

Because a land bank is a tool to support locally developed land use goals, and not a goal in and of itself, it is important to coordinate with other blight prevention tools and programs. Successful land banks have helped facilitate and work within diverse collaborations across the public, private, and nonprofit sectors that share similar economic and community development goals. We can't stress enough that, in order to truly be effective, land bank activities must complement existing blight prevention efforts, including effective tax enforcement, strategic code enforcement, neighborhood investments, and community-based planning.

A land bank is not a panacea for problem properties, nor even a necessary entity in many cities, but in the right environment and with the right legal structure, a land bank can be a key tool for returning vacant and problem properties to productive use. A land bank is truly effective when it complements other community strategies and activities—such as strategic code enforcement, effective tax collection and enforcement, data collection and analysis, and smart planning and community development—in order to achieve and sustain vibrant, healthy, and secure neighborhoods.



The New York State Land Bank Act

As early as 2007, a handful of New York State leaders, motivated by the impressive results of land banks in other states (notably Michigan and Ohio), began to advocate for legislation allowing local governments to create land banks to complement and bolster existing blight prevention efforts.

After three years of educating state officials and building a network of supporters across the state, Assemblyman Sam Hoyt and Senator David Valesky—the bill’s primary sponsors—finally saw the New York State Land Bank Act signed into law by Governor Andrew Cuomo on July 29, 2011. The original legislation allowed for the creation of up to ten land banks through a competitive application process managed by the Empire State Development

Corporation. This sustained campaign to educate officials and attract sponsors clearly had long-term benefits. A bill introduced in the spring of 2014 by Attorney General Eric Schneiderman to increase the number of potential land banks from 10 to 20 was passed immediately and unanimously by both chambers, and approved in June 2014.

The New York Land Bank Act allows for “foreclosing governmental units (FGUs),” or local governments that collect and foreclose on property taxes, to create land banks. As outlined in the legislation, land banks are created by local government, are local public authorities, and operate as independent nonprofits acting in the public interest.

The New York Land Bank Act, modeled after earlier state-enabling legislation in Michigan and Ohio, but enhanced with provisions unique to New York, grants the following special powers and legal authority to help land banks effectively and efficiently convert problem properties into neighborhood assets:

- 1 Obtain property at low or no cost through the tax foreclosure process
- 2 The right of first refusal to purchase properties being sold after tax foreclosure
- 3 Hold land tax-free
- 4 Clear title and/or extinguish back taxes
- 5 Lease properties for temporary uses
- 6 Negotiate sales based not only on the highest bid but also on the outcome that most closely aligns with community needs (i.e. workforce housing, a grocery store, or expanded recreational space)

3-YEAR ASSESSMENT:

A Record Of Promise, A Reason For Optimism

Following passage of the New York Land Bank Act, the Empire State Development Corporation was charged with managing the competitive application process establishing land banks throughout the state. A total of eight communities submitted applications across two rounds (Spring 2012 and Winter 2012/2013) and all eight were approved. The first eight land bank awards reflect diverse geographies and interests: two local jurisdictions, four single counties, and two regional entities. A ninth land bank, Albany County, was created in June 2014.

NEW YORK STATE LAND BANKS

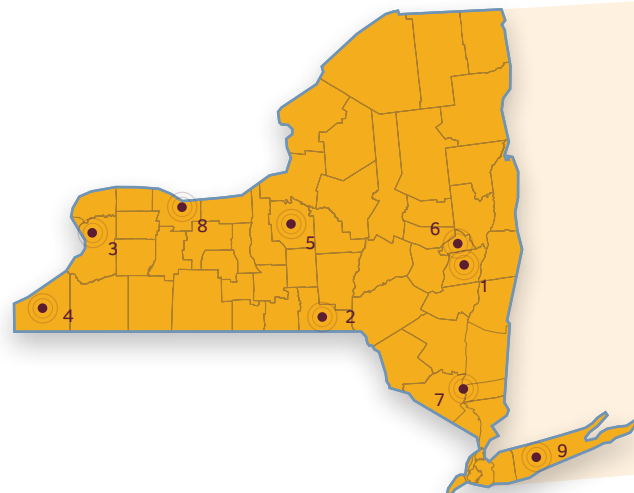
- 1 Albany County Land Bank Corporation
- 2 Broome County Land Bank Corporation
- 3 Buffalo Erie Niagara Land Improvement Corporation
- 4 Chautauqua County Land Bank Corporation
- 5 Greater Syracuse Land Bank
- 6 Land Reutilization Corporation of the Capital Region
- 7 Newburgh Community Land Bank
- 8 Rochester Land Bank Corporation
- 9 Suffolk County Landbank Corporation

Most land banks were initially staffed by local or county personnel, usually from the planning and development departments. Early focus was on board selection, policy development, better understanding of the powers unique to land banks, and determination of the scope and pace of initial activities and transactions.

Support from the CenterState Corporation for Economic Opportunity and Center for Community Progress helped land bank staff and board members cultivate a strong peer-to-peer network that involved monthly phone calls, biannual summits, and an active email listserv.

Most land bank leaders also carried out impressive advocacy and educational efforts at the local and county levels, not only generating interest and excitement for these new entities, but also securing financial commitments from elected leaders (and even private entities) to help fund operations. Though most government appropriations were restricted to programs and activities, land banks in Syracuse and Newburgh were able to generate sufficient and flexible funding commitments to support the hiring of dedicated Executive Directors in 2012.

Though the eight land banks assumed a slow, steady, and deliberate pace for the first two years, an announcement of a dedicated fund for land banks by NYS Attorney General Eric Schneidermann in the summer of 2013 catalyzed their activities. The Attorney General's Land Banks Community Revitalization Initiative competitively



made available to the land banks \$33 million over two rounds in September 2013 and July 2014. The funds were part of the first National Mortgage Settlement awarded to New York.

With millions in start-up funds suddenly available to support dedicated staff, capacity-building, and land bank activities—such as acquisition, demolition, and rehabilitation of problem properties—slow, steady, and deliberate was no longer an option.

The first round of funding saw the allocation of \$13 million in awards allocated among the eight land banks. Nearly all land banks included funds to hire dedicated staff, but there was a lot of innovation and variety among the proposed activities, with each land bank tailoring their application to address unique local needs and priorities.

For instance, the Suffolk County Land Bank requested and received funds for Phase I and Phase II environmental assessments for brownfields that a recently completed local planning initiative identified as key next steps. The Chautauqua County Land Bank's award is going almost exclusively to fund an aggressive demolition program (80 properties, the most of any land bank). And Newburgh requested and received funding to support both the rehabilitation and demolition of blighted homes with subsequent new construction, advancing the city's goal of expanding homeownership opportunities for income-eligible working families.

A second round of funding of up to \$20 million was announced by the Attorney General's Office in July 2014. In addition to the original eight land banks, the more recently created Albany County Land Bank Corporation is eligible to apply.

Common Functions of NY Land Banks

A MARKET CONDUIT

Land banks play a critical role in eliminating the liabilities of problem properties and delivering them to the market with community goals in mind. New York land bank leaders are keenly aware of this role as a market conduit, actively serving as a bridge between governments and the private sector.

In **Newburgh**, the cost of asbestos and lead abatement can exceed \$70,000 for a single small building and total rehabilitation can be upwards of \$200,000. The

Land Bank has taken a strategic approach to reduce these costs by only conducting asbestos and lead abatement and selling a “clean shell” to developers to complete the rehabilitation. It can have a greater impact by remediating the environmental issues on a larger number of buildings which the private market will want to purchase and rehab, thereby having a larger overall impact with the same funding amount rather than conducting a smaller number of complete rehabilitations.

NEIGHBORHOOD STABILIZATION

Land banks play an essential role in neighborhood stabilization. A single blighted property on an otherwise well-kept block depresses adjacent real estate values, eroding neighborhood stability. Transitional streets and blocks influence the trajectory of an entire neighborhood. Land banks are in a unique position to acquire, stabilize, and hold onto blighted properties until a responsible party steps forth to return them to productive use.

In **Buffalo**, the Land Bank saw a great opportunity for an early success, acquiring one blighted property on a suburban street with a viable market. Though the housing market in this area was stable, this building was tax-delinquent, abandoned, and structurally challenged. The liabilities, in other words, were too much for the market to absorb, and the land bank offered a great opportunity to prevent one property from destabilizing an otherwise healthy street.

FURTHERING LOCAL PLANNING GOALS

In partnership with local governments, land banks can advance local planning goals and initiatives through their ability to acquire and hold properties with long-term planning importance.

In **Broome County**, the Land Bank acquired a tax-foreclosed commercial property along a strategic corridor in Binghamton, with the objective of redeveloping this key parcel consistent with community goals. The building, a former hotel and retirement home that has been vacant since 2010, sits along an important gateway corridor just outside the central business district. Through competitive procurement, a developer has been selected who aims to turn the building into a market-rate, mixed use project, which aligns exactly with the housing goals outlined in 2014 *Blueprint Binghamton*, the City’s just-completed Comprehensive Plan.

In **Schenectady**, the Land Bank is working to acquire properties in a very distressed neighborhood that has a strategic connection to downtown. The goal is to acquire and ‘bank’ properties, either assembling enough parcels to support a catalytic development, or holding the parcels long-term until the positive market trends in the downtown area expand to adjacent neighborhoods. In another area of the City, it is working with the local development agency to foreclose on several properties, some of which will be demolished to create a needed entrance for a neighborhood park.

ADDRESSING LEGAL AND FISCAL CHALLENGES

Among many challenges facing local government, administrative and fiscal challenges often limit its ability to deal with vacant and abandoned properties. Whether liability concerns with brownfield sites or the hefty maintenance costs that come with owning properties, cities with constrained resources and capacity are often reluctant to take an aggressive approach toward acquiring problem properties.

In **Syracuse**, the Land Bank helped to add teeth to the threat of losing property through tax foreclosure. The creation of the Land Bank, which receives properties after the tax foreclosure process, generated an additional \$2.5 million in tax revenue to the City of Syracuse as delinquent owners felt the pressure of paying back taxes or risking the loss of their property. This revenue helps to address the financial needs of the city and the operations of the Land Bank.

HISTORIC PRESERVATION

For many communities around New York State, historic preservation is a central strategy in achieving economic vibrancy. However, repurposing historic properties consistent with local and state design guidelines can be costly, and major redevelopments often require some form of subsidy or tax credit. Land banks can and should play a role in helping communities achieve local preservation goals.

In **Rochester**, a large historic building on the State and National Registers has been in and out of foreclosure for over a decade and the owner has been unable to maintain the building. With more flexibility than the local government, the Land Bank was able to secure the transfer of this historic property to new ownership. The Land Bank negotiated terms with the two parties, foreclosed on the property, and then sold the property to the new developer.

SUSTAINABILITY

Land banks are uniquely positioned to play a role in advancing sustainable practices. This ranges from preventing further deterioration of structures that would otherwise be demolished to piloting deconstruction practices to divert valuable materials from the waste stream.

In **Syracuse**, consistent with county's goal to create a more sustainable region, the Land Bank is working

to divert housing material from structural demolitions away from local landfills. The goal is to complete up to 24 deconstruction projects in the next two years—a more sustainable alternative to demolition. Materials that are salvaged can be either resold or upcycled into new products. Thus, not only does this contribute to the area's environmental health, but it also adds to its economic health.

INTER-LAND BANK COLLABORATION

For the original eight land banks, there was no manual or guide for them to follow. Therefore, in addition to leaning on partnerships in their respective communities, they also leaned on each other through collaboration, cooperation, and engagement as a way to ease the challenges and share their experiences and ideas.

Since their creation, staff and volunteers working for New York land banks have maintained frequent communication to share ideas and challenges and to brainstorm creative approaches to address abandoned properties. In 2014, the first eight land banks formed the New York Land Bank Association (NYLBA) and

retained legal counsel to assist with interpretation of the Land Bank Act and other regulations governing land banks in order to better navigate their roles as both not-for-profits and local public authorities. The NYLBA holds a monthly conference call and convenes in-person several times each year. As the land banks mature, they are collectively looking for sustainable sources of funding to address abandoned properties, regulatory changes that will improve their efficiency and address blight across the state, opportunities to collaborate with state agencies and other organizations working on neighborhood revitalization, and opportunities to share and reduce operating costs.

Shared Challenges Noted by the Land Banks

The strong peer-to-peer network among the New York land banks has helped illuminate not only common functions, but also common challenges.

FUNDING

The most pressing concern shared by land bank representatives is how to secure recurring and reliable funding. Many land banks did receive one-time general fund appropriations from local and county governments, and the grant awards through the Attorney General's Land Bank Community Revitalization Initiative have been extremely valuable in building capacity and accelerating program development. However, there is concern that the land banks may be held to unfair expectations of achieving self-sufficiency. Since the land banks are designed to help 'fix' problem properties that the market has discarded or altogether rejected, then expectations of self-sufficiency may be unrealistic.

Because land bank properties have been abandoned by the market, land banks will need some level of support from outside funders (from public, private, and/or philanthropic sectors) in order to make their activities possible.

Land banks must also take responsibility for developing innovative funding strategies and accurate reporting systems. Land banks must track outcomes and consistently report back to the public that investments being made are realizing positive gains. Demonstrating the return on investment by taking on problem properties lends support for securing future funds.

HOME RULE & LOCAL LAND USE AUTHORITY

A great way to prove the value of land banks is to work closely with local officials and community leaders. For Rochester and Newburgh, with the land banks almost seamlessly integrated into local government and local decision-making processes, this is less of a challenge. However, for countywide land banks navigating "home-rule" authority, provincialism, and local land-use goals, this can introduce some challenges.

In Buffalo, the Land Bank has taken a creative approach, empowering local communities to determine the level and location of land bank involvement in neighborhood revitalization work. In other words, it is up to the local officials to inform the Land Bank of what and where the need is, and that 'bottom-up' approach has helped minimize misunderstanding and avoid rural-urban tensions.

THE "SILVER BULLET" MISCONCEPTION

Members of NYLBA worry that some community leaders and residents may perceive land banks as the "silver bullet" to solve entrenched, systemic blight, which is an inaccurate and even dangerous perspective. For example, though Syracuse is now systematically moving through the backlog of tax-delinquent properties, these represent only about 1/3 of the vacant and blighted inventory throughout the city. National best practices and case studies make clear that a comprehensive blight elimination program

involves aligning land bank activities with strategic code enforcement, efficient tax collection and enforcement, accurate and open data systems, an engaged and empowered citizenry, community-based planning, and data-driven decision-making in neighborhood investments. Members of NYLBA are well-positioned to help facilitate more sophisticated and nuanced discussions about these issues at the local level, and the association as a whole looks forward to playing a more active role statewide around these issues in the future.

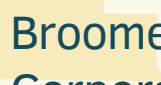
LIMITATIONS OF THE NYS LAND BANK ACT

Per the Land Bank Act, land banks are accountable to state requirements for both not-for-profit corporations and public authorities, which can create some legal redundancy and even uncertainty. Though the NYLBA maintains a strong commitment to transparency, accountability, and community engagement, the association welcomes a chance to discuss possible

reforms to the Land Bank Act. As land banks gain more experience following Land Bank Act requirements, those that are unclear or encumbering will be identified and potential changes proposed. The NYLBA wants to ensure the flexibility so important to a land bank's success is protected, while embracing a regulatory framework that values and ensures transparency and accountability.

SNAPSHOTS OF SUCCESS:


REASON FOR OPTIMISM



Broome County Land Bank Corporation

(www.gobroomecounty.com/landbank)

The creation of the Broome County Land Bank prompted a community-wide conversation about addressing blight and the challenges that vacant and abandoned properties place on community and economic development— affecting everything from housing to industrial brownfields. This key issue brought a diverse range of stakeholders, including neighborhood and community organizations and local elected officials, to the table to talk about dealing with the issue of blight in a comprehensive manner.



Chautauque County Land Bank Corporation

(www.planningchautauqua.com/?q=content/chautauqua-county-land-bank)

The Chautauque County Land Bank is pushing the local response to rural blight and developing creative partnerships to address buildings in salvageable condition as well as those requiring costly removal. Many buildings are sold to local developers, individuals, neighborhood groups, and community development agencies possessing the interest and wherewithal to rehabilitate at-risk properties and improve neighborhoods. Due in part to the Land Bank's demolition initiatives, the County has created an annual municipal tipping-fee credit program with the county landfill reducing the costs of demolition debris. The County is also working with the cities to leverage their Community Development Block Grant demolition funding, and is working with rural communities to train municipal workers for asbestos inspection and abatement to reduce costs.



Buffalo Erie Niagara Land Improvement Corporation

(www.benlic.org)

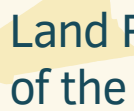
Serving forty-four communities and created by action of four foreclosing units (the Cities of Buffalo, Tonawanda and Lackawanna, and Erie County) the Buffalo Erie Niagara Land Improvement Corporation represents a truly regional response to blight and abandoned properties. The Land Bank's territory is broad, but the goal is singular: to return land to productive use. The Land Bank is navigating the many levels of government affected by abandoned property to develop and pilot a range of strategies that may be employed to address properties in urban and rural settings, in various conditions, and for a range of uses from affordable housing, to open space, to commercial development.



Greater Syracuse Land Bank

(www.syracuselandbank.org)

The creation of the Greater Syracuse Land Bank, able and willing to take over foreclosed properties, incentivized Syracuse to start tackling their backlog of nearly 4,000 tax-delinquent properties. Over the past two years, the City has collected \$5 million in additional back taxes from owners avoiding foreclosure. \$3 million of those funds have been diverted to the Land Bank to fund stabilization and maintenance of foreclosed properties. The Land Bank anticipates it will acquire 2,000 properties in its first three years and is creating opportunities for qualified investors to leverage this public investment by buying and renovating Land Bank properties.



Land Reutilization Corporation of the Capital Region

(www.cityofschenectady.com/LAND_BANK.htm)


The Land Reutilization Corporation of the Capital Region has partnered with the City, the Industrial Development Agency, the Metroplex Development Authority, and the Urban Renewal Agency to pursue a multi-pronged approach focused on Schenectady's Eastern Avenue Corridor, a major commuter route into the revitalized downtown. Three businesses have located, expanded, or renovated on this key corridor. Demolition of eight structures will create businesses and side-lot opportunities while providing access to a city park from a low-income neighborhood where no connection previously existed. The Land Bank is also administering a residential façade grant program here. This holistic approach coordinated by the Land Bank will generate significant visual and economic impacts.



Rochester Land Bank Corporation

(www.cityofrochester.gov/landbank)

The Rochester Land Bank Corporation provided a new tool to explore innovative solutions to remove blight. While much of the Land Bank's focus has been on transforming distressed tax-delinquent houses into renovated homes, the Land Bank also played a pivotal role in a development deal that will revitalize a landmark building listed on the National Register of Historic Places, adding 15 residential units and commercial space that will house 15 permanent jobs in Rochester's Center City district. The Land Bank's flexibility to make this deal possible will be a powerful tool for the City to pursue other creative solutions for unique properties.



Albany County Land Bank Corporation


The Albany County Land Bank Corporation was created in June 2014.



Newburgh Community Land Bank

(www.newburghcommunitylandbank.org)

The Newburgh Community Land Bank is piloting a geographically targeted approach to acquiring and renovating abandoned properties in Newburgh. The Land Bank is working with the municipality as well as private owners and banks to take title to long-vacant buildings in one small area in order to concentrate real estate assets and financial resources to be leveraged into opportunities for existing residents and to attract new businesses and inhabitants to historic downtown Newburgh. Focusing the strengths of banks, residents, government, and the local business community on this neighborhood will revitalize the core of Newburgh.



Suffolk County Landbank Corporation

(www.suffolkcountylandbank.org)

Suffolk County is faced with a unique challenge: efficiently returning an initial backlog of 133 tax-delinquent and environmentally challenged properties to productive tax-paying uses. The Land Bank provides an approach to this process by allowing for site assessment, lien transfer, and sale, while limiting the risk of environmental liability. Once available, the tax liens can be sold to qualified private developers who will then foreclose, remediate, and redevelop each site, thereby increasing property values, stabilizing the tax base, and improving quality of life for residents. The Land Bank already helped to spur an estimated \$2.37 million in back tax payments in its first year and has begun site assessments on 19 properties.

Conclusion

New York communities, particularly the urban centers and rural villages across Upstate, have long struggled to minimize and reverse the negative impacts of vacancy and blight. At times, the scope, scale, and complexity of blight has seemed overwhelming.

But with the emergence of a nascent land bank movement in New York, there is reason for optimism. Not even three years old, the state's land bank movement is posting impressive gains. The credit doesn't belong to just a few. Just as fighting blight requires a coordinated, sustained, and comprehensive approach, so too must credit for these early gains be distributed among many parties.

From forward-thinking state leaders who pushed through the enabling legislation in 2011, to passionate local practitioners who invested a great deal of resources and time in launching the first round of land banks. From elected officials who, despite budget challenges, saw the value in investing in land banks, to the Attorney General's Office for carving out millions of dollars to support early land bank efforts. From land bank and land-use experts providing support to ensure land bank success in New York, to the resilient residents and local nonprofits, with spirits unbroken, determined to reclaim the health, vibrancy and security of their neighborhoods.

With the creation of land banks, a handful of early-adopter communities are waging a smarter, more aggressive fight against blight, adapting these new tools to local needs, and finding ways to complement existing blight prevention strategies. The nascent land bank movement is just gaining steam, but it already offers a record of promise and a reason for optimism in New York's fight against blight.

This publication was made possible by:



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