



New York City Comptroller
Scott M. Stringer

NEWS

PRESS RELEASE

PR16-02-021

NEWS RELEASE

February 18, 2016

COMPTROLLER STRINGER AUDIT REVEALS CITY OWNS MORE THAN 1,100 VACANT LOTS THAT COULD BE USED TO BUILD AFFORDABLE HOUSING

Stringer proposes creation of a New York City Land Bank that could help build an estimated 57,000 units of permanent affordable housing on City-owned & tax-delinquent properties

(New York, NY) – With a housing affordability crisis that includes thousands of New Yorkers sleeping in shelters, an [audit](#) released by New York City Comptroller Scott M. Stringer revealed that New York City owns over 1,100 vacant properties that could be used to site thousands of units of affordable housing.

The Comptroller also issued a new [report](#), *Building an Affordable Future: The Promise of a New York City Land Bank*, which outlines how the City could use a land bank to develop an estimated 57,000 units of *permanently* affordable housing units on these vacant lots, as well as on a smaller sub-set of privately-owned, tax-delinquent properties.

“When the City owns property, we get to call the shots about how land is developed and for whom, which is why these properties are so valuable,” Comptroller Stringer said. “The audit we conducted found that the City owns over one thousand vacant lots that could be used to build affordable housing. If we want to give every New Yorker a fair and fighting chance to make it in the City, we need to use every tool in our toolbox to create and preserve truly affordable housing. Today, I am proposing

the creation of a New York City Land Bank that could turn these vacant lots and other properties into sites for thousands of permanently affordable units.”

The [audit](#), which examined City-owned vacant properties managed by HPD and other City agencies from June 2014 through September 2015, comes at a time when the City has lost over 400,000 apartments renting for \$1,000 or less and more than half of New Yorkers spend more than one-third of their income on rent, according to a [report](#) issued in 2014 by Comptroller Stringer.



To view a video on Comptroller Stringer's audit and report please click the image above.

The audit found that as of September 2015, the City identified 1,131 vacant lots that it owned across all five boroughs that could have been used to build affordable housing. Of the 992 properties with a known acquisition date:

- 231 (23 percent) had been owned and left vacant by the City for 40-50 years
- 513 (52 percent) had been owned and left vacant by the City for 30-39 years
- 170 (17 percent) had been owned and left vacant by the City for 20-29 years
- 46 (5 percent) had been owned and left vacant by the City for 10-19 years; and
- 32 (3 percent) had been owned and left vacant by the for 0-9 years.

The breakdown of these sites by borough is:

- Brooklyn – 556 properties
 - Queens – 363 properties
 - The Bronx – 112 properties
 - Manhattan – 98 properties
 - Staten Island – 2 properties
-
- An additional 340 properties were under the jurisdiction of other City agencies such as the New York Police Department, the New York City Housing Authority and the Department of Citywide Administrative Services.
 - Even when HPD moved forward with planned development, it did not meet its stated timelines for nearly half of its projects. In FY 2014, 40 percent of properties deemed vacant by HPD had their transfer dates to developers delayed by several years.

In response to the audit's findings, Comptroller Stringer released a new [report](#), *Building an Affordable Future: The Promise of a New York City Land Bank*, which calls on the City to create a new government-created non-profit entity, a land bank, which would help ensure a focused effort on developing permanent affordable housing in neighborhoods throughout all five boroughs. Currently, there are ten land banks in operation in New York State, including in Buffalo, Syracuse and Albany.

New York City's primary strategy for developing affordable housing on city-owned lots has been to sell the property to a developer in exchange for a percentage of affordable units for a limited duration. While this model has facilitated the creation of thousands of affordable units, the City loses leverage by transferring title, which weakens its ability to hold developers accountable and negotiate for deeper and permanent affordability.

Under this new model, the City would:

- Transfer property to a land bank that would be ‘seeded’ with City-owned vacant land to be developed into affordable housing.
- The land bank would then put together a package of subsidies and identify a developer, in most instances a non-profit, with whom to partner. Because these developers do not have the primary goal of making a profit, this partnership would allow for the creation of more housing for lower-income New Yorkers than the current system.
- Finally, instead of selling the land to a developer, the land bank would enter into a long-term lease with a developer, allowing the City to enforce affordability and ensure that the affordability is permanent.
- In addition to City-owned properties, the New York City Land Bank would also have the ability to target tax-delinquent vacant properties that it could seek to foreclose upon more quickly than the current system.

The Comptroller’s analysis found that a New York City Land Bank focused just on the City’s vacant lots and a smaller sub-set of vacant properties that have failed to pay taxes for multiple years could support the development of more than 57,000 units of permanently affordable units:

- 53,116 units of permanently affordable housing located on 1,459 vacant, City-owned properties; and
- 4,159 additional units of affordable housing on 247 persistently delinquent, underutilized properties whose tax liens were sold between 2013-2015.

“With thousands of vacant and tax-delinquent sites across the City, we need to find innovative ways to rid our communities of blighted properties and replace them with housing for all families. A New York City Land Bank is one way that the City can use the resources it already has to create permanently affordable housing for people of all income levels,” Stringer said.

The Comptroller’s Office called for the City to:

- Pass legislation in the City Council to authorize a New York City Land Bank. Last year, New York City Councilmember Brad Lander filed legislation to create a land bank, which has since garnered nine additional sponsors;
- Begin working with Empire State Development Corporation to prepare a land bank application;
- Seed the land bank by transferring vacant, City-owned properties and/or redirecting a portion of outstanding tax liens to the land bank; and
- Allow the new land bank to manage foreclosure of tax-delinquent properties that are either vacant or underutilized to create a pipeline for affordable housing.

“If we learned anything from the 1970s in New York City, it’s that if you want to reclaim your community, you have to take control of vacant land and build affordable housing. A land bank will not solve our affordable housing crisis, but it can provide a focus for the City to transform long-vacant and tax delinquent properties into critical affordable housing units that will be around for generations,” Stringer said.

To read the complete audit, click [here](#).

To read the complete report, click [here](#).

To view a video about Comptroller Stringer's audit and report, click [here](#).

###