

BENEFITS OF A LAND BANK

PROBLEM: The Erie County Department of Real Property Tax Services has determined that there are in excess of 73,360 tax liens within Erie County worth more than \$53,529,325 in taxes owed to Erie County. This reflects the growing problem in Western New York posed by vacant, abandoned and foreclosed properties to neighborhoods and communities throughout the region. Creation of a land bank can serve as a major tool in addressing this problem.

BENEFITS: The following are some of the benefits attributable to a land bank:

1. **ONE-STOP SHOP:**

A land bank places all the tools to deal with distressed properties in one place... a one-stop shop for tackling vacancy and blight.

2. **TAX REVENUE:**

Since land banks can speed up the process for converting vacant, abandoned, and foreclosed properties to productive use, the local government will experience an increase in property tax revenue generated by those parcels.

3. **COST SAVING:**

Local governments are able to reduce costs associated with added police services, emergency protection, inspections, etc. now required in blighted neighborhoods.

4. **MAINTENANCE:**

Provides maintenance services for vacant lots and abandoned properties.

5. **DEMOLITION:**

Able to undertake selective demolition of structures that are in serious disrepair.

6. **FUNDING:**

Able to obtain outside financial resources to further its goals and supplement the revenue it receives through day-to-day operations.

7. **PARCEL ASSEMBLY:**

The land bank can assemble and hold parcels that are in close proximity to one another for future transfer to a developer for housing, retail, and other purposes.

8. **LIABILITY:**

By transferring problem properties to the land bank, local government would no longer be liable for claims brought against them by entities that may have been damaged as a result of their exposure to vacant and abandoned properties.

9. **SPEED:**

A land bank can shorten existing foreclosure processes and speed up the return of vacant, abandoned, and tax delinquent properties to productive use.

10. **AFFORDABLE HOUSING:**

Affordable housing opportunities can be created through the land disposition policies of a land bank. Priority in the conveyance of property can be given to non-profit community organizations willing to construct or rehab the abandoned parcel for the benefit of low-income families.