

NEW YORK
LANDBANK
ASSOCIATION

February 13, 2026

Hon. Liz Krueger, Chair
New York State Senate Finance Committee
416 Capitol
Albany, NY 12247

Hon. J. Gary Pretlow, Chair
New York State Assembly Ways and Means Committee
LOB 711-A
Albany, NY 12248

Sent electronically via financechair@nyenate.gov and wamchair@nyassembly.gov

RE: Testimony for the 2026 joint legislative budget hearing on housing

Dear Chairperson Krueger and Chairperson Pretlow,

On behalf of the New York Land Bank Association, I respectfully submit this written testimony regarding the FY27 New York State budget. From Buffalo to Long Island, New York's 31 land banks serve an area that includes 68% of the state's population outside of New York City and consists of over 846 local governments and nearly all of New York's urban centers. Governor Hochul's FY27 executive budget proposes increasing the cap on land banks from 35 to 45, potentially increasing the number of land banks across the state by nearly 50%. Land banks are a powerful tool for local communities to combat the vacant property and affordable housing crises and we support their expansion to additional communities, but request the Legislature restore funding for land banks in the One House Budget Bill to FY26 levels (\$10 million in aid to localities and \$40 million in the capital budget, in addition to the reallocations included in the Governor's executive budget.)

While it may appear land banks have been slow to utilize prior years' funds, we have confirmed with HCR's LBI program administrator that 90% of the \$160 million previously allocated for land banks has been committed, **leaving just \$14 million remaining on the table** - not enough to address the needs of 31 land banks in the coming year. **Without restoring land banks to FY26 funding levels, we will run out of funding mid-year**, as we're all aggressively ramping up creation of new units to meet the state's housing goals and address our current affordability crisis.

New York's land banks utilize grant funds to demolish blighted buildings, acquire abandoned properties, stabilize buildings, improve vacant lots, and rehab housing units. They work in partnership with state and local government, non-profits, residents, community groups, and responsible developers and investors to return abandoned properties to productive use.

As communities throughout New York grapple with an acute housing crisis and persistent concentrations of vacant properties, New York's land banks have emerged as an invaluable resource.

Land banks are a powerful tool to assemble the shovel-ready sites needed to meet our state's housing demand. As NYSHCR funds numerous new programs to support new construction of single- and two-family homes across the state, land banks are the logical partner to provide a pipeline of sites, mostly in areas with existing infrastructure to support new homes.

We also want to take this opportunity to voice our support for the Governor's proposed SEQR reforms. Construction of new housing units at all price points is needed across the state and even market-rate homes will help with affordability as it will help address the severe undersupply that is driving up housing costs.

Land banks are New York's most effective tool for reclaiming vacant properties and revitalizing both urban and rural distressed communities. New York's land banks provide extra capacity for small municipalities and bring additional tools to the toolbox of local governments working to fight blight and increase the supply of affordable housing. NY land banks have the state-wide presence and capacity to help address the state's severe shortage of quality affordable housing.

New York's land banks have generated over \$600 million in new investment in historically underserved urban neighborhoods, village centers, rural main streets, and formerly contaminated industrial sites across the state. New York has become a national leader in this movement, building one of the most effective networks of land banks in the United States. The progress our land banks have achieved over the past decade is remarkable:

- ✓ **Acquiring over 5,700 problem properties**
- ✓ **Demolishing 1,750 vacant structures**
- ✓ **Returning over 4,000 properties to productive use**
- ✓ **Generating nearly \$400 million in private investment**
- ✓ **Returning over \$188 million in assessed value to local tax rolls**

The New York Land Bank Association respectfully requests restoration of FY26 funding levels with \$10 million in aid to localities and \$40 million in the capital budget to support NYSHCR's *Land Bank Initiative*, so we can collectively continue to realize the tremendous and transformative return on the investment that New York's land banks provide to our state and local governments.

We appreciate your time and consideration. We look forward to continuing our work together to transform vacant and abandoned problem properties from harmful liabilities into opportunities to build more affordable housing and create more equitable, inclusive, healthy, and resilient communities.

Sincerely,



Jocelyn Gordon, President
NY Land Bank Association

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