

My name is Tom Feltner, vice president of public policy at Woodstock Institute. I would like to thank President Preckwinkle, the Board of Commissioners, and Commissioner Gainer for the opportunity to express Woodstock Institute's support for the proposed Land Bank Advisory Committee.

Woodstock Institute is a leading nonprofit research and policy organization in the areas of fair lending, wealth creation, and financial systems reform. Woodstock Institute works locally and nationally to create a financial system in which lower-wealth persons and communities of color can safely borrow, save, and build wealth so that they can achieve economic security and community prosperity. We conduct research on financial products and practices, promote effective state and federal policies, convene a coalition of community investment stakeholders working to improve access to credit, and help people use our work to understand the issues and develop and implement solutions.

A county-wide land bank is necessary to stabilize the regional housing market. Woodstock Institute research shows that distressed properties are likely to be concentrated in low-wealth communities and communities of color. It also shows that lender-owned, likely vacant properties in low-wealth communities and communities of color sit on the market longer and lose more value than properties in other communities.

Fixing up these properties one by one will not be enough to stabilize highly impacted blocks. It is clear that a coordinated, broad-scale, county-wide strategy to target distressed areas and stabilize them will be necessary facilitate a regional housing recovery. Land banking is a key tool that can help structure a neighborhood recovery strategy and ensure that it is responsive to community needs.

Land banks are particularly effective when used to acquire distressed, relatively low-value property where there is little private-sector interest to make the necessary investments to return the property to productive use. A land bank could acquire property by receiving a transfer of property from municipalities, receiving donations from financial institutions, purchasing properties, and by offering no-cash bids at the scavenger sale, where properties with delinquent taxes are sold.

After acquiring the properties, the land bank could employ a number of strategies to make the properties more attractive to outside investors as well as ensure that their redevelopment meets community needs. A land bank gives a community the opportunity to take a 'deep breath' before deciding the fate of a tax-foreclosed property. A land bank could hold property tax-free for a number of years, during which time it could abate delinquent taxes, clear title, bring the properties up to code, and demolish buildings that have become a nuisance.

I urge the Cook County Board of Commissioners to support the passage of this resolution and we look forward to working with the Board of Commissioners as this issue moves forward.

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