

My name is Dory Rand, president of Woodstock Institute. I would like to thank President Preckwinkle, the Finance Committee of the Cook County Board of Commissioners, and Commissioner Gainer for the opportunity to express Woodstock Institute's support for the Cook County Land Bank Authority.

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 people 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 land bank is necessary for stabilizing vacant homes and recovering from the foreclosure crisis. Woodstock Institute research shows that distressed, vacant properties are significantly more likely to be concentrated in communities of color and low-wealth communities. 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. Long-term vacant properties contribute to a concentration of negative home equity, blight, and crime in communities that can least afford it.

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. A land bank would provide resources to redevelop problem properties at a scale large enough to halt the deterioration of Chicago neighborhoods while ensuring that recovery strategies are responsive to community needs.

A land bank would be particularly effective in the communities hit hardest by the foreclosure crisis. Land banks can make the biggest impact on relatively low-value properties where there are few incentives for the private sector to make the necessary investments to return the home to productive use.

Land banks provide the necessary tools to make properties more attractive to investors while ensuring that redevelopment efforts are in line with community needs. Land banks can acquire properties 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, land banks can support their redevelopment in ways that make the most sense to the planning priorities of the surrounding neighborhood. For example, a land bank could demolish a blighted home and sell the vacant lot to a neighbor for a side yard; it could abate delinquent taxes and clear title so the home could be sold to a new owner; or it could make homes more attractive to buyers by redeveloping them so they are up to code. These are just some of many tools the land bank could use to put distressed homes back to productive use.

In closing, Woodstock Institute believes that a Cook County Land Bank would help attract responsible investors to hard-hit areas, ensure that economic recovery supports community priorities, and make neighborhoods impacted by foreclosures more attractive and secure places to live. I urge the Finance Committee and the Board of Commissioners to support the passage of this ordinance and we look forward to working with the Board as this issue moves forward.