



## **Dissenting Statement of Council Member Frank Morano**

Finance Committee — January 29, 2026

**Re: Intro. 570 (Creation of a Land Bank); Intro. 1407 (Authorization of Liens for Land Bank); Intro. 1420 (Transfer of Older Liens to the Land Bank)**

I respectfully dissent from the Committee’s action advancing Introductory Numbers 570, 1407, and 1420 over the Mayor’s veto.

These three measures operate together as a unified framework that would significantly expand the City’s role in acquiring, warehousing, and ultimately disposing of distressed private property through a newly empowered land bank mechanism funded in part by tax-lien transfers. While I share the goal of preserving housing and stabilizing neighborhoods, I remain deeply concerned that this package moves New York City in a direction that increases fiscal risk to taxpayers, weakens property-owner protections, and centralizes too much authority in a government-controlled real-estate apparatus with insufficient guardrails.

### **Fiscal Exposure and Risk to Taxpayers**

At a moment when New York City faces long-term budgetary pressures and mounting obligations, I am troubled by the open-ended financial exposure created by these proposals. A land bank authorized to absorb delinquent properties and liens necessarily carries rehabilitation costs, carrying costs, and disposition risk that may ultimately fall on taxpayers if projected recoveries do not materialize.

The transfer of older and harder-to-collect tax liens into such an entity raises additional concerns. These are often the most complex and uncertain assets in the City’s portfolio. Moving them off the books into a new structure does not eliminate risk; it simply relocates it, potentially obscuring long-term liabilities while committing public resources to speculative redevelopment strategies.

Before overriding a mayoral veto, I believe the Council owes taxpayers a far clearer accounting of expected costs, governance safeguards, and exit strategies should these programs underperform.

### **Expansion of Municipal Power in Private Real Estate Markets**

These bills collectively represent a substantial expansion of municipal authority in the housing market. Authorizing a land bank to acquire property through lien transfers and other mechanisms shifts the City from a regulator and tax collector into an increasingly active real-estate actor.

For homeowners and small property owners—particularly in middle-class neighborhoods like those I represent—this raises legitimate concerns about due process, transparency, and whether government acquisition tools will be wielded in a manner that prioritizes rehabilitation over revenue generation or political preference.

I am especially wary of policies that normalize large-scale public acquisition of private property without tight statutory limits and meaningful legislative oversight.

### **Governance and Oversight Concerns**

While supporters point to reporting requirements and administrative controls, I do not believe the current framework provides sufficient protections against mission creep, politicized disposition decisions, or the accumulation of underperforming assets.

Once created, quasi-independent land-bank structures often grow far beyond their original scope. Before overriding a veto, the Council should insist on stronger performance metrics, sunset provisions, and explicit limitations on how properties and liens may be transferred, held, or disposed of.

### **Alternative Approaches**

There are other tools available to address distressed housing that do not require the creation of a broad new acquisition entity: improved enforcement against negligent owners, targeted rehabilitation programs, partnerships with responsible private actors, and reforms to the lien-sale process that protect homeowners while preserving revenue certainty.

In my view, these options deserve further exploration before the Council commits to a sweeping restructuring of the City's approach to tax-delinquent property.

### **Conclusion**

For these reasons—fiscal uncertainty, the expansion of municipal control over private property, insufficient safeguards, and the risk of unintended consequences—I voted **no** on overriding the Mayor's vetoes of Introductory Numbers 570, 1407, and 1420.

I urge my colleagues to reconsider this approach and pursue housing-stabilization strategies that protect taxpayers, respect property rights, and maintain transparency and accountability.