November 18, 2020

NYC Mayor Bill de Blasio        NYC Council Speaker Corey Johnson
City Hall                        City Hall
New York, NY 10007              New York, NY 10007

Re: Not Reauthorizing NYC Lien Sale for Property Tax, Water and Other Municipal Debts

Dear NYC Mayor de Blasio and Council Speaker Johnson,

We write to you today as a united coalition of advocates, public officials, and community-based organizations calling for an end to the current tax lien sale process. Since 1996, the City has outsourced a critical municipal function to the detriment of communities and benefit of Wall Street investors. It is no secret that the tax lien sale – since its inception – has negatively and disproportionately affected communities of color. Additionally, the current structure of the tax lien sale has allowed Wall Street investors (and the already well-off) to benefit off of the financial struggles of these communities. Now more than ever, in the midst of the COVID-19 crisis that is hitting people and neighborhoods of color the hardest, the City must take bold action to stabilize housing and support New Yorkers by ending this regressive, Giuliani-era program.

The sale likewise harms tenants and communities when the City transfers its leverage over delinquent landlords of multifamily buildings to a private investment trust, which has no interest in maintaining safe housing or planning for a future for our neighborhoods that includes permanently affordable housing.

Further, each year, the city lets millions of unused square feet of residential zoning slip away as it sells liens on hundreds of buildable vacant lots instead of channeling them to mission-driven developers for production of affordable housing. These lots could instead go to community land trusts and other organizations that will make sure they are used for purposes that meet community needs instead of remaining eyesores awaiting the speculative real estate market.

We understand that the City uses the limited revenue it received from the bulk lien sale to help balance its budget. However, such revenue (averaging $87 million between 2015 and 2019) is minuscule in comparison to the current $88.1 billion City budget and is outweighed by the harms caused to Black and Brown small-home owners, who end up mired in a compounding, high-interest debt.

We strongly urge the City to not reauthorize the lien sale for the tenth time. Instead, the City must adopt responsible and equitable practices to collect unpaid debts from property owners, renegotiating where appropriate or foreclosing when an owner refuses to pay. These critical reforms will have long term positive impacts on our communities that are worth far more than the cash flow from the liens sold.

For more information about this matter please contact Hannah Anousheh, eastnewyorkclt@gmail.com.
646-335-5973 or Paula Segal, psegal@takerootjustice.org, (646) 459-3067.

Sincerely,

Council Member Brad Lander

Darma Diaz, Council Member Elect

Council Member Alicka Ampry-Samuel

Council Member Carlina Rivera

Council Member Ben Kallos

Council Member Antonio Reynoso

Council Member Carlos Menchaca

Council Member Jimmy Van Bramer

Council Member Inez Barron

Congressman Hakeem Jeffries

Organizations:
East New York Community Land Trust
TakeRoot Justice
UHAB
Cooper Square Community Land Trust
Western Queens Community Land Trust
The Bronx Community Land Trust
Coalition for Community Advancement: Progress for East New York & Cypress Hills
Ocean Hill-Brownsville Coalition of Young Professionals
Chhaya CDC
Northwest Bronx Community & Clergy Coalition
Brooklyn College- City University of New York
Northern Manhattan Community Land Trust
Moving Forward Unidos
New Economy Project
Community Service Society
Lower Seaman Tenants Association
Northfield Community LDC
Cypress Hills Local Development Corporation
Equality For Flatbush
NYC Community Land Initiative
Brownsville Nehemiah Homeowners’ Association
East New York Homeowners’ Associations Inc.
East New York Economic Society