

SYRACUSE

Land Bank is hoarding land on South Side



Tucker Missionary Baptist Church Pastor DeCarto Draper Jr. The church has asked the Greater Syracuse Land Bank to give members a chance to build new housing. Catie O'Toole, cotoole@syracuse.com, 2109 file



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City officials are awaiting the most creative ideas for a long-neglected neighborhood.

Syracuse government is aggressively accumulating abandoned land to rebuild the long-neglected South Side neighborhood into something else.

The city has been foreclosing on blighted properties and shifting them to the Greater Syracuse Land Bank to knock down and stabilize one of the most impoverished areas in America.

The quasi-governmental agency has quietly become the largest landowner in the area that stretches nearly a mile — from the public housing on East Adams Street south to East Colvin Street.

The aggressive hoarding is putting the city in a position, for perhaps the first time, to dictate what happens to acres and acres of land that could otherwise fall victim to speculators, slumlords and other bad actors.

Instead, the city can deliver land and other incentives to the best ideas from reliable partners to create affordable homes and neighborhood businesses.

But what are those ideas?

The Land Bank, city officials and others do not have a plan. They await the most-creative and best-financed visions for the vacant land.

Their ability to attract and support those ideas, if the ideas come at all, will determine the success of this historic opportunity to revive the South Side.

Already, the plans to remove Interstate 81 through the neighborhood and tear down public housing projects along East Adams Street, coordinated by a team called Blueprint 15, will bring dramatic change to the South Side.

The Land Bank has a third effort. Already the city has seized about 100

properties that fell behind on property taxes, burned or lost their roofs or foundations. Some were donated by families who didn't know what else to do with them.

On Montgomery Street, a former auto body shop is getting a new roof and being tested for harmful chemicals thanks to federal stimulus funding. It could become an office or a classroom, a retail store or a restaurant.

Around the corner, a former barber shop has been torn down. So has another building that had significant water damage and had been built into commercial space in a residential zone.

Two other buildings burned. They were homes built in the 1800s and had been joined together as a business that sold supplies for fuel oil furnaces.

Now, those combined properties cover a full acre of vacant land available for development. New zoning laws could allow a four-floor apartment building with first-floor storefronts.

Vacant land on other blocks could become single-family homes or smaller apartment buildings, repeating successful partnerships with non-profits Home

Headquarters and Housing Visions. Some blocks could be developed by new-to-Syracuse private developers.

Deputy Mayor Sharon Owens, who also leads the non-profit Blueprint 15, sees the effort as moving one step closer to solving a growing housing crisis in Syracuse.

“We feel like this is the first time really that I can remember that the tail isn’t wagging the dog,” she said. “Typically, we’ll have a developer saying this is what we want to do. What we want to do is find developers that line up with our vision.”

What to keep, what to change

The stakes are high. This is no ordinary neighborhood.

It has suffered from government policies that railroaded a highway through homes and businesses in the 1950s and ’60s. And it has never recovered from racist redlining that denied bank loans and suppressed home ownership.

As the government removes the elevated I-81, this is what President Joe Biden and Gov. Kathy Hochul mean when they talk about making reparations to a neighborhood abandoned by the highway’s construction.

With that kind of attention, government funding and available land, the neighborhood could become vulnerable to speculators. One man recently offered to buy the Land Bank’s entire portfolio — more than 900 properties in Syracuse.

But the Land Bank does not have to sell to the highest bidder. It is a public authority created by city and county government to have the flexibility to sell to people with ideas that fit its mission — to turn blighted properties to productive use.

In addition to the Land Bank and the city, the group Blueprint 15 is trying to quarterback the many interests. That group is a non-profit financed by the Allyn Foundation, the charitable arm of the family that sold the medical manufacturer Welch Allyn and directed some of the profits to fighting poverty.

Blueprint 15 owns no land but has asked the Land Bank to set aside a handful of properties for future ideas.

There are other efforts to preserve the existing community. About 4,000 people live on the South Side and many taxpaying families intend to stay and pass their property on to the next generation.

To that end, the parishioners of Tucker Missionary Baptist Church have also asked the Land Bank to give them a chance to come up with ideas and funding for vacant land around the church, across from Martin Luther King Elementary School. They have watched the barber move out, watched more than 50 buildings come down and don't want to lose more neighbors.

"It's all about maintaining control of what could become very valuable property," Owens said.

The city's challenge, she said, is to rebuild a neighborhood that still feels like a neighborhood — with a healthy mix of housing and businesses that make sense in a historically Black community that wears the scars of the past.

"That is the charge we have," Owens said.

Beyond public housing

Last year, Mayor Ben Walsh and the Syracuse Housing Authority announced an ambitious plan to raze the public housing along East Adams Street and build new townhomes and multi-story buildings in its place.

Pioneer Homes, the state's oldest public housing, is a physical and psychological barrier between downtown and the South Side residential neighborhoods where the Land Bank has been collecting properties.

The SHA, which owns that land, has already hired a developer, McCormack Baron Salazar of Missouri.

It's a \$500 million project to replace 293 units of public housing with 600 units of both public housing and market-rate housing on new streets.

The developer intends to start the project with housing tax credits available through the state's Homes and Community Renewal agency. Hochul also proposed a \$10 million contribution in this year's state budget. They expect to break ground next year.

In addition to new housing, the concept proposes a new learning center for children, job training centers for adults, parks, gardens and a new high school

stadium. The idea is to “disrupt poverty at scale,” according to a federal grant application.

The colorful renderings of future tree-lined streets, homes and gathering spaces ends at Burt Street, where the public housing ends.

The land of new opportunity is across the street.

That’s where the Land Bank is busy buying, razing and assembling properties.

Rebuilding these neighborhoods is more complicated than razing public housing. Land Bank properties are next door to private homes, churches, non-profits, parks and schools — in other words, they are part of a neighborhood. And that neighborhood stretches about a mile, over 27 distressed blocks on 119 acres.

City officials say these residents have suffered for too long as their neighbors walked away.

It is difficult for private landowners there to comprehend all of the levels of government, public authorities and non-profits that control the land that used to be homes and businesses.

The effort so far is visible and government records are transparent. But a lack of clear communication has raised questions and some fears among neighbors and even some community activists who see vacant land and no specific plan of action.

To some, it feels a lot like the government of the 1950s bulldozing private property for its own benefit.

The Greater Syracuse Land Bank is governed by five appointees of city and county government. The board’s chairman is Pat Hogan, a city councilor. The director is Katelyn Wright, a previous city land use planner who studied local land use and historic preservation at Cornell University.

A 2011 state law allowed land banks to operate in New York in municipalities that foreclose on tax delinquent property. The Syracuse region created the first one in the state. It has taken ownership of more than 2,000 properties — far more than any other in the state.

Land banks have special powers that allow more flexibility than municipal governments. They can negotiate for ideas that make sense for the neighborhood rather than selling to the highest bidder.

Land banks are funded by the state budget and the state's settlements with banks over misconduct that contributed to the 2008 housing crisis. Onondaga County and the city also fund the Land Bank. In 2021, the city gave the Land Bank \$5 million of its stimulus money.

The Land Bank has so far demolished 59 buildings in the neighborhood. It has also worked to stabilize others that could be salvaged by a developer. And it's eager to take more land.

Reserving land for new ideas

Blueprint 15 has a different role.

Blueprint 15 describes itself as a quarterback, bringing interested parties together. The 20-member board includes leaders in the city schools, city and county government, business groups, the health center, public housing and SUNY.

The group has asked the Land Bank to set aside 14 properties for future ideas. Those properties include the former auto body shop and the vacant one-acre parcel that was anchored by the old barber shop.

That gives Blueprint 15 the right of first refusal if someone else wants to build there first.

The Land Bank agreed to that request with a handshake. There is no deadline. The Land Bank is allowed to hold onto properties until a suitable project comes along.

For a long time, city leaders have been stuck in a different, more defensive pattern. Out-of-town landlords have bought existing properties, allowed them to fall into disrepair, then walked away.

Last fall, the city issued a formal request for qualifications for both experienced and new-to-Syracuse developers to apply to build on some of this vacant land. The city put money behind it — \$10 million in stimulus money.

“It really sent a message to developers across the region and even wider: ‘If you’re doing good work, Syracuse is a place that’s interested in doing good work,’” said Michael Collins, the city’s commissioner of neighborhoods and business development.

The city has also created two staff positions to coordinate housing, one specifically on the South Side.

City housing leaders are already building clusters of new homes on blocks where some existing homeowners have stayed and anchored the community.

Home Headquarters, a nonprofit, has built eight new homes on Garfield, Baker and Woodland avenues as part of Walsh’s Resurgent Neighborhoods Initiative.

The idea is that Home Headquarters builds new single-family homes to sell at reduced prices to people who intend to live in them. It costs about \$380,000 to build a new single-family home. Those homes can only be sold on the market for about \$120,000.

Collins was taking pictures in the neighborhood one day when a man standing on his porch asked skeptically what he was doing there. Collins explained his job and the project.

In February, Collins stood in the same spot with the governor of New York. The same man stopped in the middle of the intersection and told her proudly about his neighborhood.

“It had to feel like we scripted it. Like, ‘Hey, buddy, can you do us a favor?’” Collins said. “To me, that’s the perfect sign of success.”

Still, there is a lot of work to do.

Fears of flippers and gentrification

The Land Bank is not sitting still. It sold 103 properties last year. Nearly 800 properties that are not formally listed for sale are still available for families and developers to view on its website.

It is selling homes to people who intend to live in them. It is also selling to developers who promise to renovate and flip the homes. Some of that activity fuels concern that current residents will be priced out of the neighborhood.

Oceanna Fair and her husband had rented a house on Cannon Street for about 10 years when the city foreclosed on it. Their granddaughter had been exposed to lead paint in the house. They had no idea where they would go and worried she would be exposed again in another house.

As they do with all tenants, the Land Bank offered the house first to the Fairs. The Fairs bought it and cleaned up the lead paint. Since then, Fair has been appointed to the Land Bank's board of directors.

She understands the fear of gentrification as the Land Bank seizes and sells properties. While hers is a success story, she can see a more unfortunate situation unfolding down the street.

At 512 Cannon St., the Land Bank sold the vacant single-family home to a flipper from New Jersey. This is allowed on the condition that the developer renovates and sells within a year to an owner who plans to live in the house.

The new owners did some renovations and put the house the market for almost \$160,000. That's unheard of in a neighborhood where comparable homes are listed at less than \$60,000 on homebuyer websites.

The house has not been sold within a year and the owners have also not shown that repairs are finished, Wright said.