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LDF Files Amicus Brief Challenging Racial Impact of NYC's Third Party Transfer Program

Today, the NAACP Legal Defense and Educational and Fund, Inc. (LDF) filed an amicus brief in the U.S. Court of Appeals for the Second Circuit in support of plaintiffs challenging New York City's Third Party Transfer (TPT) Program. The brief focuses on the racially discriminatory nature of the program and its impact on rapidly gentrifying neighborhoods, leading to the loss of homes and wealth for Black and Latinx families. Since 1996, the TPT Program has transferred properties with outstanding municipal debt to third-party owners, often nonprofit caretakers or for-profit developers, without adequate notice and without compensating the original owners.

"It is not a coincidence that the TPT Program is most active in communities of color," said LDF Assistant Counsel Kristen A. Johnson. "The TPT Program has only exacerbated the already wide racial wealth gap in New York City and resulted in disproportionately Black and Latinx families losing their homes and the opportunity to accumulate wealth. New York City should be protecting its residents instead of transferring the homes of New Yorkers facing financial hardship to third parties."

"We are deeply disappointed that New York City, which touts itself as a city of equity and diversity, continues to displace its most vulnerable residents," said LDF Special Economic Justice Counsel Jason Bailey. "The government's efforts to target New Yorkers of color and transfer their properties to third-party owners, including for unpaid municipal charges like water and sewer debt, has to stop. We urge the court to step in and protect the rights of homeowners in the impacted communities."

The TPT Program is one of many government programs across the country that put the homes of Black and Latinx families in jeopardy, and hinder wealth acquisition in communities of color. And the TPT Program, like many other programs, results in people losing their homes in part because they cannot afford basic utilities, like water and sewage services. In 2019, LDF released a report that explored the water affordability crisis and its devastating impact on Black communities. *Water/Color: A Study of Race and the Water Affordability Crisis in America's Cities* uses the cities of Baltimore and Cleveland as case studies to detail the spike in metropolitan water prices, as well as to highlight the link

between the failure to pay a water bill and the loss of Black homeownership. LDF has also recently filed litigation in [Cleveland](#) and [Detroit](#) addressing discriminatory water practices by these municipalities that impact Black communities.

Read LDF's brief challenging the TPT Program [here](#).

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Founded in 1940, the NAACP Legal Defense and Educational Fund, Inc. (LDF) is the nation's first civil and human rights law organization. LDF has been completely separate from the National Association for the Advancement of Colored People (NAACP) since 1957—although LDF was originally founded by the NAACP and shares its commitment to equal rights. LDF's Thurgood Marshall Institute is a multi-disciplinary and collaborative hub within LDF that launches targeted campaigns and undertakes innovative research to shape the civil rights narrative. In media attributions, please refer to us as the NAACP Legal Defense Fund or LDF.

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