



NEW YORK STATE SENATOR

Timothy M. Kennedy

Kennedy to DOT: Sell the Surplus Properties, Use Revenue to Help Address \$167 Million Mistake

TIMOTHY M. KENNEDY March 5, 2012

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State Comptroller releases report that finds Department of Transportation is holding onto surplus properties that could generate revenue for the state.

ALBANY, N.Y. – Senator Timothy M. Kennedy, D-58th District, is calling on the state Department of Transportation to sell surplus properties and use the revenues to help address **an error they made in 2008 that cost Western New York approximately \$167 million**

in transportation investment. Kennedy's call follows a report from Comptroller Thomas DiNapoli, released Monday, which found that **the DOT is holding onto surplus properties that have the potential to generate considerable revenue for the state.**

"The Department of Transportation committed a mathematical error when calculating funding allocations for fiscal year 2008-2009, and it has cost Western New York approximately \$167 million in transportation investment," Kennedy said. "The DOT needs to tap into the potential revenue source of its currently-held surplus properties and use those revenues to start fixing the mistake they made and restore our lost funding."

After reviewing a sample of 110 potentially surplus properties, Comptroller DiNapoli's report found that 18 of those properties were unused and carry the potential to be sold to generate much-needed revenue for the state. Those 18 properties alone have an estimated value of \$7.1 million. The 110 properties reviewed represent about 10 percent of the DOT's 1,096 potentially surplus, or excess, properties.

In addition to the revenue that could be generated through potential sales, disposing of properties would reduce state costs for property management and maintenance.

"Some of this land is sitting unused, and the Comptroller has found that it may no longer be needed. The DOT should sell any unneeded properties and put the revenues toward fixing their mistake that cost Western New York much-needed infrastructure funding," Kennedy said. "If this review of just 10 percent of potentially surplus properties revealed a revenue source with an estimated value of \$7.1 million, a full review of all excess properties may find a considerable volume of unneeded, marketable property that could generate millions more. This is an opportunity for the DOT to begin working toward restoring funds that Western New York lost after their error. I encourage them to pursue it."

To view the Comptroller's report, visit:

<http://www.osc.state.ny.us/audits/allaudits/093012/10s48.pdf>

Senator Kennedy thanked Comptroller DiNapoli for conducting the audit and identifying cost savings and potential revenue generators for taxpayers. Kennedy also commended the DOT for beginning to implement the Comptroller's recommendations.

To read Kennedy's letter to the DOT, visit:

[http://www.nysenate.gov/files/pdfs/Kennedy%20Letter%20to%20DOT%20RE%20Comptroller%](http://www.nysenate.gov/files/pdfs/Kennedy%20Letter%20to%20DOT%20RE%20Comptroller%20)

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Senator Timothy M. Kennedy represents the New York State Senate's 58th District, which is comprised of the towns of Cheektowaga, Eden, Hamburg and West Seneca, the city of Lackawanna and parts of the city of Buffalo. More information is available at <http://kennedy.nysenate.gov>.