

Seizing City Assets: Ten Steps to Urban Land Reform



The Brookings Institution
Center on Urban and Metropolitan Policy
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Vacant Property Forum
July 9, 2003

Setting an Agenda for Urban Land Reform

Traditional thinking about vacant land...

- Vacant and abandoned properties are symbols of deterioration and decline.
- Coping with abandonment is a burden on city agencies.
- When it comes to tax delinquent properties, go after the money.



Setting an Agenda for Urban Land Reform

Emerging Thinking About Vacant Land...

- Vacant land is an asset: on average, 15% of a city's area is comprised of 'usable vacant land' that is available for development.
- Use of vacant land can stimulate economic development and neighborhood improvement.
- Vacant land represents an opportunity for infill development, and an alternative to suburban sprawl.



Setting an Agenda for Urban Land Reform

Brookings/CEOs for Cities Research Products:

- Vacant Land in Cities: An Urban Resource
- Seizing City Assets: Ten Steps to Urban Land Reform
- Vacant Property Policy and Practice: Baltimore and Philadelphia
- The State Role in Urban Land Redevelopment
- City Fiscal Structures and Land Development

Ten Steps to Urban Land Reform

Cities Need to be Proactive in Creating Ready-to-Go Sites:

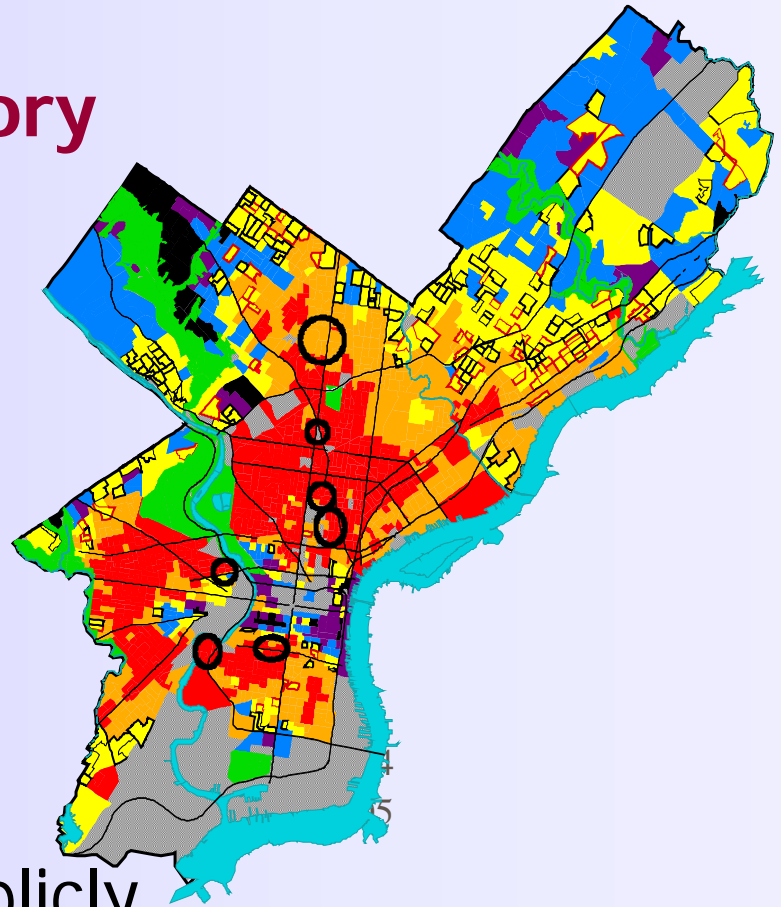
- “The most appealing business climate is useless if a community has no property that is [ready to go]...”
- “Many communities now enjoying business growth are benefiting from actions taken years or decades ago. But they may be hurting their future opportunities by failing to identify land replenishment as a critical element of economic development...”

Site Selection Magazine
May 1999

Ten Steps to Urban Land Reform

Step 1. Know Your Territory

- Inventory vacant land
- Know its market value
- Know its tax status
- Know its zoning
- Know its ownership
- Make data available publicly



Ten Steps to Urban Land Reform

Step 2. **Develop a Citywide Approach to Redevelopment**

- Philadelphia, Washington, Baltimore, and other cities have begun to categorize neighborhoods based on sound market analysis, with public strategies tailored to market conditions.
- Vacant property redevelopment is part of these plans.

Washington DC

Different Neighborhoods Require
Different Strategies.



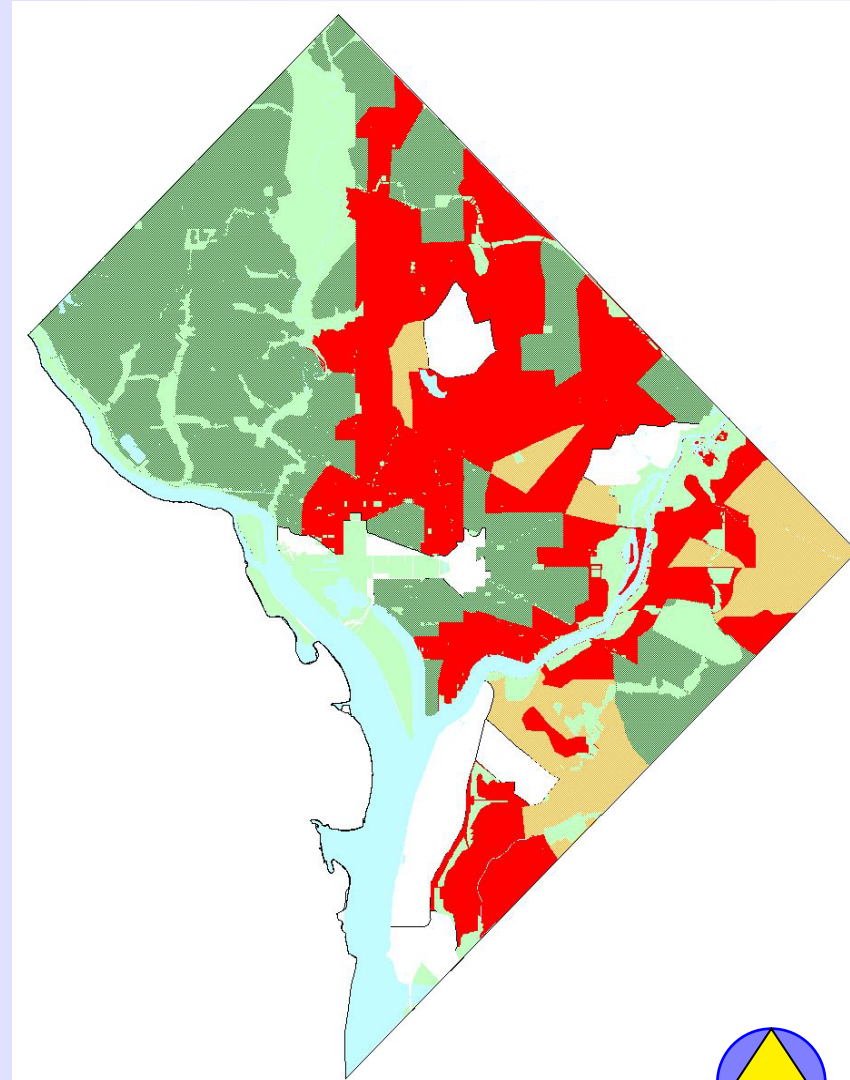
Stable: Neighborhoods with ample market-driven, private investment and social indicators consistent with or higher than the city average.



Emerging/Transitional: Neighborhoods that under-perform based on their market potential usually with moderately positive indicators, or fast-developing neighborhoods subject to rapid home sales, rising property values and displacement pressures.



Distressed: Neighborhoods that face the most extreme challenge of low social indicators and extreme private disinvestments.



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Step 3. **Implement Neighborhood Plans in Partnership with Community Stakeholders**

- Process should be top down & bottom up
- Should include a variety of community stakeholders (citizens, CBOs, business owners)

Richmond's Neighborhoods in Bloom

"An innovative endeavor committed to bringing back all of Richmond's great neighborhoods."

- Community input was solicited through community forums
- Six neighborhoods of 49 were selected to receive targeted resources
- Funded using CDBG, HOME, and local capital improvement dollars



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Step 4. **Make Government Effective**

- Well-functioning, professional departments or authorities to acquire, manage, and dispose of vacant properties are a must.
- A mix of techniques should be used--tax foreclosures, condemnation, purchase, donations--to acquire property.
- Drive the system, monitor results, and hold players accountable.

Baltimore's CitiStat

CitiStat, a data collection, computer mapping, and performance evaluation approach created by the O'Malley administration, includes monitoring of some city services associated with vacant property, including:

- Housing complaints;
- Cleaning and boarding;
- Demolitions;
- Acquisitions.



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Step 5. Create a Sound Legal Framework for Redevelopment

- Reform state and local property tax-foreclosure laws
- Reform laws allowing local governments to use eminent domain

Genesee County Treasurer's Urban Land Redevelopment Initiative

- Public Act 123 (1999) amended the state's property tax laws, reducing time to foreclose on delinquent property from 7 to 2 or less years.
- Property title can transfer directly to the County Treasurer or to the State
- Flint/Genesee has established the Genesee County Land Reutilization Council (LRC), a land holding entity. Land Bank Legislation is pending.



Ten Steps to Urban Land Reform

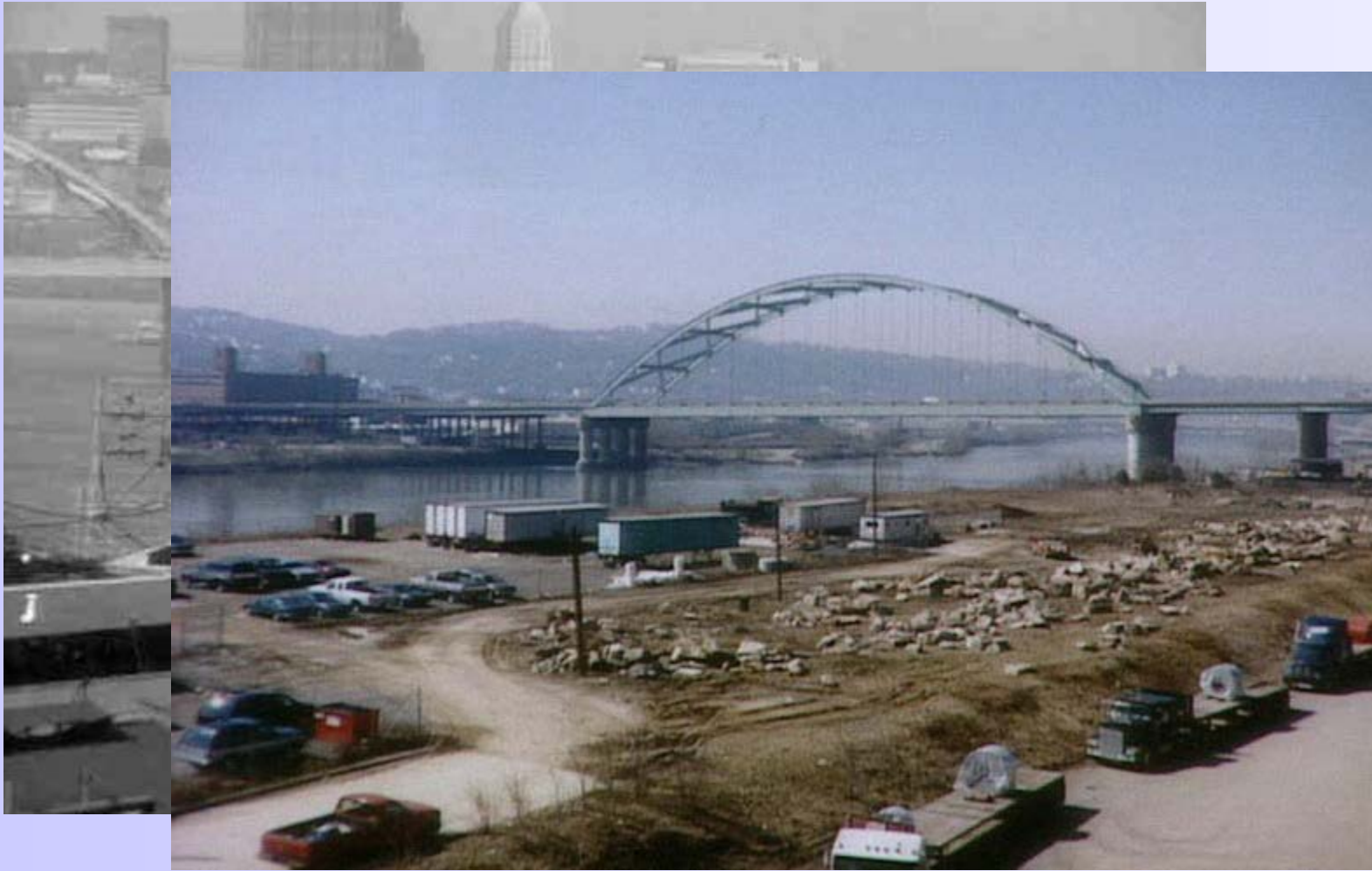
Step 6. Create Marketable Opportunities

- Frequent communication to partners
- A transparent development process
- Marketable vacant sites: environmentally clean, of sufficient size to meet the need, ready for sale
- Zoning and building codes up-to-date and user friendly
- Active marketing

Results: The Former J&L Mill Site in Pittsburgh...



...Redeveloped into the Pittsburgh
Tech. Center with State Help...



...Now Home to Cellomics and Other Technology Firms



Atlanta/Fulton County Land Bank Authority

- Able to erase tax delinquencies from properties
- Has provided land for over 1000 units of new housing



Ten Steps to Urban Land Reform

Step 7. **Finance Redevelopment**

- Unavailability of federal and state programs have led local governments to create local programs such as TIFs, tax incentive programs, tax abatement programs, and bond initiatives.
- Additional role for federal and state governments needed for scale.

Ten Steps to Urban Land Reform

Financing Tools:

- Chicago TIF Use
 - ◆ More than \$2 billion in public-private investments made in TIF districts
- Clean Ohio Revitalization Fund
 - ◆ \$400 million bond program for preservation of open space and brownfields revitalization



Ten Steps to Urban Land Reform

Step 8. Build on Natural and Historic Assets

- Build from natural amenities such as waterfronts & parks



- Historic buildings can be a competitive advantage

Cool Space Locator

*...committed to the mission of no more empty buildings
in the urban core*

- Non-profit real estate brokerage company created by 3 Pittsburgh CDCs
- Recognizes assets of “forgotten” historic buildings appropriate for small and medium-size businesses
- To date has helped over 140 companies to find space



Ten Steps to Urban Land Reform

Step 9. Be Sensitive to Gentrification and Relocation Issues

- Know the market dynamics to cope with gentrification pressures should they exist.
- Seek to make relocation a win-win situation when it is needed.

Ten Steps to Urban Land Reform

Step 10. Organize for Success

- Committed leadership
- Alliances within cities and in metro areas with smart growth advocates
- Getting the most out of the states
- Re-engaging the federal government

Ten Steps to Urban Land Reform

- Step 1.* Know Your Territory
- Step 2.* Develop a City Wide Approach to Redevelopment
- Step 3.* Implement Neighborhood Plans with Community Stakeholders
- Step 4.* Make Government Effective
- Step 5.* Create a Legal Framework for Sound Redevelopment
- Step 6.* Create Marketable Opportunities
- Step 7.* Finance Redevelopment
- Step 8.* Build on Natural and Historic Assets
- Step 9.* Be Sensitive to Gentrification and Relocation Issues
- Step 10.* Organize for Success

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