



The Revitalization of Vacant Properties

Where Broken Windows Meet Smart Growth



By

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Vacant properties and abandoned buildings present local governments with one of the more compelling challenges in community revitalization. Such derelict properties become breeding grounds for crime and squalor. A few buildings can generate a spiral of decline and disinvestment that strains municipal budgets and encourages businesses and residents to flee inner-city neighborhoods and declining suburbs. Despite these challenges, a growing number of cities are pioneering holistic strategies to abate and rehabilitate these neighborhood eyesores. A few cities have gone even further by making vacant property revitalization an integral part of their infill development and affordable housing strategies under the rubric of “smart growth.”

Two years ago, ICMA began a search for innovative local programs to help local government officials better understand the links between the stages of vacant property revitalization and smart growth. ICMA conducted a series of workshops, case studies, and conference sessions. ICMA found that many cities need more comprehensive programs, along with the right personnel and resources to manage them. This report presents a synthesis of ICMA’s activities on vacant properties and a summary of the crosscutting insights from three city programs: Portland, Oregon; San Diego, California; and Richmond, Virginia. As a result of this exploratory effort, ICMA has now formed the Vacant Properties Network (<http://icma.org/IssueIntersections/vacantProperties.cfm>) to bring together local governments and other key stakeholders to share their expertise and insights and provide a forum for collaborative problem solving and technical assistance.

Introduction: Vacant Properties as a Smart Growth Strategy

Effects of Vacant Properties

Virtually every city and town has a derelict apartment building, boarded storefront, or vacant single-family home. These structures can quickly become havens for transients and drug dealers and attractive nuisances that lure children into their dens of trash and debris. Those who live near the squalor of vacant properties suffer adverse impacts on their sense of community, overall quality of life, and property values. Vacant properties often contain an array of conditions (illegal dumping, leaking sewage, and fire hazards) that pose serious threats to public health and safety.

Vacant properties further strain municipal budgets and the resources of local police, fire, building, and health departments. Local governments are the first to field citizen calls about the hazards of vacant properties. Cities often respond by exercising their code enforcement authorities and abatement powers to clean up and secure the sites. Because nearly all such properties are privately owned, cities have limited legal authority to abate them. Only under certain circumstances (e.g., tax delinquency) can a city seek to transfer ownership of a vacant and abandoned building. Instead of transferring vacant properties, local governments must often find creative ways to persuade, cajole, and encourage private property owners to maintain their buildings consistent with the minimum standards of habitability and decency. All too often a small group of owners ignore such responsibilities, allowing their properties to deteriorate and spread havoc throughout an entire neighborhood.

Local governments also encounter internal coordination challenges. In the short term, the primary mission for local law enforcement and code departments is to abate the public nuisances and stabilize the site. In older urban cities, the demand for abatement of vacant properties significantly exceeds the capacity of staff and resources: it becomes a 24/7 responsibility. Many cities find it difficult to strategically integrate the abatement of vacant properties with other city departments that administer rehabilitation resources, housing programs, and long-term land-use planning.

Vacant Properties and the Broken-Window Theory

Neighborhood decay and blight happens at a rapid rate in those communities plagued with abandoned buildings and vacant properties. Residents know that a few abandoned buildings can quickly spread throughout a transitional neighborhood. They often feel unsafe walking on streets that have abandoned buildings. Local governments may initially board and secure one building but often do not have sufficient resources to keep them secure and meet the growing demand of new vacant structures. Some property owners feel helpless in trying to maintain order and recruit new tenants. Property developers and business owners become reluctant to invest in these neighborhoods. Many residents eventually leave while those who remain become accustomed to blight as the neighborhood norm. This vicious cycle continues with each new pocket of vacant lots and abandoned buildings.

Attitudes toward vacant properties and community perceptions of safety and order have been well documented by public policy experts as the “Broken-Window Theory.” Community policing guru George Kelling and Professor James Q. Wilson have observed, “... social psychologists and police officers tend to agree that if a window in a building is broken and is left unrepaired, all the rest of the windows will soon be broken.”¹ Therefore, a neglected property allowed to remain in such a condition is a signal to the community that no one cares. Wilson and Kelling go on to suggest that disorder and crime are inextricably linked with the physical environment at the community level. Wilson and Kelling go on to say:

“[A] lot of serious crime is adventitious, not the result of inexorable social forces or personal failing. A rash of burglaries may occur because drug users have found a back alley or an abandoned building in which to hang out. In their spare time, and in order to get money to buy drugs, they steal from neighbors. If the back alleys are cleaned up and the abandoned buildings torn down, the drug users will go away. They may even use fewer drugs, because they will have difficulty finding convenient dealers and soft burglary targets.”²

¹ James Q. Wilson and George L. Kelling, “Making Neighborhoods Safe,” *Atlantic Monthly* (February 1989). Their work helped form the philosophy and research that supports the essential principles of community oriented policing. See George Kelling’s latest book, *Fixing Broken Windows: Restoring Order and Reducing Crime in Our Communities* (New York: Touchstone, 1998).

² Ibid.

The Benefits of Vacant Property Revitalization

Despite these complex challenges and adverse impacts, the revitalization of vacant lots and abandoned buildings presents ideal opportunities to manage growth in our communities and regions. Growth continues to happen in many major metropolitan regions throughout the country.³ Even in those areas with declining urban populations, the overall metropolitan region continues to expand.⁴ Twenty years ago, many cities employed a simple solution to the pressures of growth—approve the construction of new developments (both commercial and residential) on available land and open spaces on the suburban fringe. Many thought they could merely continue to build their way out of the growth problems, especially because new development provided construction jobs and fueled the local economy. Today, however, while the population increases, the amount of available and buildable land continues to dramatically decrease. For example, the City of San Diego predicts that it must accommodate 450,000 new people over the next twenty years (roughly the same rate of growth from the past twenty years); however, the region has only 12 percent of its land available for new development.⁵

The squeeze of growth and land will only exacerbate the availability and affordability of housing.⁶ According to the U.S. Department of Housing and Urban Development (HUD), approximately 5.4 million households in the United States face worst-case housing needs.⁷ Between 1997 and 1999, home prices rose at more than twice the rate of general inflation and rent increases exceeded inflation for all three years.⁸ In the 21 largest metropolitan areas,

³ Growth can include both population increases and land consumption. A recent study by the Brookings Center on Urban & Metropolitan Policy measured the consumption of land for urbanization in comparison with population growth for every metropolitan area in the United States. Based on percentage terms, the center concluded that “most metropolitan areas are consuming land for urbanization much more rapidly than they are adding population. In that sense, most U.S. metro areas are ‘sprawling’ more rapidly today than they have in the past.” William Fulton, Rolf Pendall, Mai Nguyen, and Alicia Harrison, “Who Sprawls the Most? How Growth Patterns Differ Across the U.S.,” *The Brookings Institution Survey Series* (July 2001): 2.

⁴ The Brookings study further found that while urban areas within the Northeast and Midwest are considered more dense than their western counterparts, at the metropolitan level, the Northeast and Midwest regions are consuming land at a much greater rate than they are adding population, so “their marginal density is extremely low.” *Ibid.*

⁵ City of San Diego pamphlet on the Strategic Framework Process (2000).

⁶ Other factors also influence housing affordability, such as the quality of the housing stock, family income, and local market conditions. “The housing situations faced by communities today are the result of a diverse set of private sector practices and national policy priorities ... reflecting the complexity of public opinion about affordable housing.” Danielle Arigoni, *Affordable Housing and Smart Growth—Making the Connection* (Washington, D.C.: Smart Growth Network Subgroup on Affordable Housing, 2001), 16.

⁷ HUD, *State of the Cities Report*, (Washington, D.C.: HUD, 2000).

⁸ *Ibid.*

median home prices rose an average of 34 percent in the 1990s.⁹

As regions and cities struggle with how to accommodate growth and the demands for affordable housing, many have come to recognize they can no longer expand outward. The environmental impacts, economic costs, and social consequences of traditional growth patterns are too great. Cities and regions must look inward, back to the urban neighborhoods and inner-ring suburbs as the logical places for new growth. Thus, the revitalization of vacant properties could provide the raw materials for regions and cities to accommodate new growth.¹⁰ Many of these deteriorated neighborhoods already have the necessary infrastructure and municipal services. Cities could minimize growth pressures by adopting a series of holistic strategies that integrate the abatement and rehabilitation of vacant properties with smart growth principles and policies such as long range planning, affordable housing, regulatory flexibility, and infill development.¹¹ Vacant property revitalization could further act as a catalyst to galvanize federal, state, and local policy makers behind a new national policy initiative.¹²



Photo: Joe

⁹ Anthony Downs, “Housing Policies for the New Millennium,” *Brookings Institution Online*, (accessed on October 3, 2000) <http://www.brook.edu/es/urban/speeches/housingpolicy.htm>.

¹⁰ “For those working on smart growth issues, the strategic reuse of urban vacant land and abandoned structures can represent a key opportunity for encouraging greater density and reducing the push to develop suburban greenfields.” Michael Pagano and Ann O’M. Bowman, “Vacant Land in Cities: An Urban Resource.” *The Brookings Institution Survey Series* (December, 2000).

¹¹ “Ensuring an adequate supply, distribution, and quality of affordable housing is a litmus test for smart growth. In reality, smart growth represents an opportunity for a community to achieve more sustainable growth and improve affordable housing.” Arigoni at page 15.

¹² At the end of this report a textbox outlines the potential benefits of a national campaign to combat vacant properties.

Smart Growth and Revitalizing Vacant Properties

Vacant properties present ideal opportunities for promoting many essential smart growth principles and policies.¹³ Fast-growing cities would derive the most obvious benefits from rehabilitating older housing stock. However, cities with serious problems of abandonment (such as Philadelphia, Detroit, and Baltimore) and steady declines in population can generate smart growth benefits through strategic infill projects that stress neighborhood parks, community gardens, and other temporary public uses of vacant lots.

Available land: Revitalizing vacant properties can present expanding communities with much-needed assets to accommodate projected increases in population and growth. Most of these sites already have the necessary infrastructure and have access to key municipal services (e.g., fire, trash, water).

Infill development and revitalization of existing communities: Vacant property revitalization could help attract people to move back into the city, whether in downtown neighborhoods or in older inner-ring suburbs.

New community design and mixed-use: Principles of new community design call for mixed-use neighborhoods that are walkable and pedestrian friendly.¹⁴ The reuse of vacant lots and abandoned buildings could provide cities with excellent opportunities to test these new community design principles.

Affordable housing: Both fast-growing and declining cities often face serious shortages of affordable housing (both for rental and homeownership) and have dozens of vacant lots and abandoned buildings. Transferring these properties into the hands of willing and able owners, especially community development corporations (CDCs), could help these communities meet their affordable housing challenges.

Livability and public safety: People will not return to live in cities unless they feel safe. The abatement of abandoned buildings and the associated blight and crime can serve as a catalyst to make these neighborhoods more safe and livable.

Community empowerment: Inner-city residents may view general smart growth policies and objectives (e.g., preservation of open space and suburban traffic and congestion) as irrelevant to the problems they confront. The revitalization of vacant properties could unify both inner-city residents and suburban residents in a common endeavor with benefits for both constituencies.

¹³ The Smart Growth Network (<http://smartgrowth.org/>) espouses ten principles to encourage better development that connects the economic, environmental, and social aspects of the built environment. Revitalization of vacant properties can further several of these essential Smart Growth principles: (1) mixed land use, (2) compact building design, (3) diversified housing choices for a range of households, (4) walkable neighborhoods with a strong sense of place, (5) preservation of open space by recycling vacant properties, and (6) more balanced regional development.

¹⁴ Joel Hirschhorn and Paul Souza, *New Community Design to the Rescue: Fulfilling Another American Dream*, (Washington, D.C.: National Governors Association, 2001).

Methodology behind the Case Study Research

Two years ago, ICMA began to explore the complexities surrounding vacant property revitalization and its potential links with smart growth. As part of a cooperative agreement with the U.S. EPA's Smart Growth Office, the ICMA study team started its search for innovative local programs. The goal was to identify three cities with relatively integrated approaches that could illustrate the viability of vacant properties as a smart growth strategy. ICMA wanted to help local government officials better understand the stages of vacant property revitalization, the advantages of holistic programs and policies, and the need for the right personnel and resources to implement them. Given the practical focus of ICMA's membership (city and county managers and their staff), the study team felt that these case studies had to highlight proven abatement and rehabilitation techniques. It also sought multidisciplinary approaches that went beyond the scope of traditional housing, planning, and redevelopment programs. As the study team canvassed ICMA members and the literature, it found few resources or leads about possible cities that met these research objectives. Based on our various personal and professional networks, the team selected three cities: Portland, Oregon, Richmond, Virginia, and San Diego, California. These cities were not chosen because they have the greatest number of vacant properties, however, they do depict the wide range of vacant property types and problems. The collective experiences among the three cities also led the study team to design a policy framework that captures the phases of vacant property revitalization. Each program highlighted several core ingredients that local governments should strive to include when designing and implementing vacant property initiatives. ICMA hopes that practitioners will adapt the lessons learned from these case studies in combating vacant properties within their own cities and towns.

What Is a Vacant Property?

Everyone knows a vacant property when they see it. Reaching consensus among policy makers on a common definition presents its own special challenges. For example, every ten years, the U.S. Census Bureau compiles the number of vacant housing units within a city; however, it provides a rather convoluted set of guidelines for its staff. For example, staff members can count a unit as vacant if no one lives in it at the time of “enumeration,” unless the residents are temporarily absent. New units under construction and not yet occupied are included in the tally of vacant units. However, the Census Bureau does not include units that are completely open to the elements or if there is positive evidence that these units will be condemned or demolished. Such a broad definition seems to include new units under construction that soon will be habitable, but not include derelict and dilapidated structures that soon will be demolished.



Photo: Joe Schilling

Unlike the Census Bureau definition and guidance, ICMA’s Vacant Properties Network classifies vacant properties in broader terms to include (1) commercial and residential properties (industrial properties are excluded because they fall under the brownfields definition)¹⁵ and (2) vacant lots or land and abandoned buildings (derelict structures that a building official could deem as either substantially substandard or structurally unsound and subject to possible demolition). Under the ICMA definition, two key criteria help classify vacant properties: (1) abandoned (meaning that no one resides at this site and that it would be very difficult for anyone to occupy this site without substantial repairs) and (2) boarded and secured (many abandoned buildings or properties are sealed by plywood or cement or should be and the entire lot could be completely fenced to deny entry). The common element is that the condition of these vacant properties amounts to a public nuisance.¹⁶

¹⁵ Brownfields are abandoned and underused industrial properties that have environmental contamination (generally in the soil, groundwater, or both). Owners are reluctant to redevelop these properties because of fears of potential legal liability and cleanup costs. Thus, brownfields can also include industrial properties with “perceived” contamination. For more information on brownfields, consult ICMA, *Brownfields Redevelopment: A Guidebook for Local Governments and Communities*, 2d ed. (Washington, D.C.: ICMA, 2001).

¹⁶ Vacant land or lots would also require certain public nuisance conditions (such as illegal dumping, or trash and debris) to qualify under ICMA’s definition. Land that is undeveloped, such as open space or land zoned for recreational uses, agriculture, or environmentally sensitive habitat would generally not fit ICMA’s definition of vacant properties. Occupied or partially occupied buildings with substandard conditions also present a close call for local officials. Many of the conditions create public nuisances, but the buildings are often partially occupied and the conditions are not substantial enough to justify demolition.

Researching and writing three case studies, however, is merely the beginning. More work must be done to promote and share these results with other local government officials, federal and state policy makers, and various smart growth constituencies, especially community development and housing advocates. Additional outreach must be done with relevant private sector groups that play essential roles in revitalization. The revitalization of vacant properties presents numerous policy challenges and legal obstacles, especially when it comes to the management and coordination of initiatives among the different levels of government, community development groups, and private sectors. (i.e., real estate, property management, housing, finance, and development). Further research and synthesis of existing programs would help local governments and communities design new models and processes that could bring together the key players and leverage federal, state, and local resources. Beyond further case studies and reports, however, local governments and communities need technical assistance and training to help them mount their own campaigns against vacant properties.

ICMA's Vacant Properties Network

Because of the growing awareness and great demand for assistance, ICMA formed the Vacant Properties Network to provide a forum for local government officials to solve problems and share solutions. The network also serves as a virtual clearinghouse of information and reports on the latest developments from the field. Membership in the network is open to all stakeholders involved in the revitalization of vacant properties. A Network Advisory Board from ten local governments and communities provides general guidance and feedback on ICMA's vacant properties activities. The network uses an e-mail listserv and quarterly conference calls as its principal communication and outreach vehicles. Over the past eighteen months, ICMA also has designed and conducted several workshops, roundtables, and special sessions at its annual conferences. Materials from these ICMA activities and other information from network partners can be accessed through the listserv or the Vacant Properties Issues Intersection on the ICMA Home Page. For general information about the network and ICMA's technical assistance activities, visit <http://icma.org/IssueIntersections/vacantProperties.cfm> or contact Assistant Project Manager Sean Tolliver at ICMA (202/962-3590; e-mail: Stolliver@icma.org).

Case Study Synthesis—The Evolution of Vacant Property Programs

All three programs emerged from a community crisis on vacant properties. Portland’s problems peaked around 1988–1990, with mainly vacant single-family dwellings and duplexes in the city’s older, inner-ring neighborhoods. About the same time, the savings and loan bailout exacerbated San Diego’s vacant properties problems, especially in the city’s low-income communities. The roots of Richmond’s crisis can be traced to a combination of high crime during the mid-1990s along with a deteriorating housing stock of older homes and historical buildings. While each city took steps to revitalize small commercial properties, they mainly targeted residential buildings of all types and ages.

In response to these respective crises, local government leaders formed special task forces to study the problem, its causes, and potential solutions. Each city initially brought together the important municipal departments (e.g., housing, police, municipal attorneys, building, code enforcement) to coordinate internal resources and discuss potential responses. During this preliminary assessment phase, city staff members quickly recognized that they could not fashion effective solutions without the cooperation and resources of the private sector. Soon these collaborative endeavors were expanded to include representatives from the local real estate and development industries, apartment owner associations, CDCs, housing advocates, and other neighborhood groups and organizations.

Despite the parallels from their creation, the programmatic responses, strategic emphasis, and relative expertise of each city differ in degree. Portland’s strength lies in its integration of vacant properties into its long-range planning and housing strategies. San Diego has one of the more comprehensive code enforcement programs for abating the public nuisances associated with vacant properties. Richmond’s Neighborhoods in Bloom initiative coordinates its code enforcement and rehabilitation resources and then strategically targets those resources to the neighborhoods in most need. All three programs offer good models on internal coordination and cooperation among city departments. Beyond these general themes, each of the case studies presents a number of practical insights and specific strategies that other cities can adapt to revitalize vacant properties in their communities. A few of these insights are highlighted in the next section of this report.¹⁷

¹⁷ All three case studies are located online at ICMA’s Smart Growth Issues Intersection: <http://icma.org/IssueIntersections/smartgrowth.cfm>.

Portland Program Highlights

In the late 1980s the city of Portland had 2,900 vacant single-family houses. Concerned that abandoned structures added to crime and social ills while failing to supply needed housing, the city embarked on a campaign to end this cycle of neglect. Through a series of regulatory changes, new programs, and proactive code enforcement efforts, aided by the influence of an increasingly strong housing market, the city turned the problem around. It aggressively worked to transfer the ownership of vacant properties to local community development corporations (CDCs) for the establishment of affordable housing. The city viewed vacant properties as an opportunity to meet local and regional housing objectives. Moreover, by linking vacant-property redevelopment with its overarching growth management goals, Portland succeeded in creating market demand for vacant properties. Within a decade, the focus of Portland's vacant-and abandoned-buildings program evolved from renovating deteriorating neighborhoods to ensuring neighborhood affordability.

- **Smart growth:** Portland's long-term success rested on the integration of its vacant properties initiatives with its comprehensive growth management plan and its affordable housing policies. Its infamous Urban Growth Boundary and related policies essentially directed growth to Portland's urban centers and existing neighborhoods. The revitalization of vacant properties gave the city excellent opportunities to promote infill development; to meet local and regional housing goals; and to take advantage of existing infrastructure, mixed uses, and transit-oriented design.



Photo: Kendra Britechle

- **Affordable housing:** The revitalization of vacant lots and abandoned buildings were made an express part of its affordable housing strategies and plans at the municipal and regional levels. For example, the five-year affordable housing goals for Portland's regional government included the revitalization of vacant properties. The city also aggressively transferred vacant properties to local CDCs for affordable housing projects. CDCs were able to revitalize vacant properties before the market brought private developers back to these inner-ring suburbs. By viewing vacant properties as an opportunity to meet affordable housing goals, Portland was able to create more livable communities with a mix of housing and income types.
- **Agency coordination and regulatory flexibility:** Portland's vacant property program included an exceptional number of local government departments and agencies with its housing revitalization projects. For example, the Office of Planning and Development

brought together many key city departments when it formed the interagency task force on vacant properties.¹⁸ Portland also facilitated better coordination between departments within different levels of government to ensure compatibility between regional and local redevelopment goals.

- *Creating regulatory flexibility:* Removing regulatory barriers to revitalization and providing developers financial incentives was critical to the success of several Portland affordable housing/mixed-use projects. In both the Albina Corner and Hoyt projects, developers remarked on the city’s effective partnership and praised the Planning Bureau, in particular, for demonstrating flexibility with building codes.
- *Shortening the time frame* For those vacant lot properties, the city initiated an expedited permit review process that set a one-year cycle for the entire process of land acquisition and building permitting.
- **Critical partnerships:** Nonprofit developers and community and neighborhood organizations played a vital role in Portland’s programs to redevelop vacant lots that were not as attractive for private sector redevelopment.
 - *Nonprofit developers and CDCs:* Portland devoted staff and resources to help build the capacity of nonprofit developers. The city felt it was a worthwhile investment to ensure the sustainability of affordable housing efforts when market conditions might become unfavorable for such projects. Nonprofit and for profit developers also benefited from such training and capacity-building activities such as sessions on grant writing, resource management, and e-mail listservs.
 - *Lender coordination:* Many nonprofit developments require financing from several different public sources and private lenders to make these marginal projects work. Each funding source generally requires its own application package, sometimes with competing requirements. Such interlender agreements can be time-consuming and difficult to strike. Several nonprofit developers in Portland recommended that the city or lenders better coordinate the eligibility requirements and process to save time and help ensure that everyone meets the relevant affordable housing needs of the community and metro region.

San Diego Program Highlights

The San Diego case study illustrates how code enforcement can stabilize the impacts of vacant properties. San Diego’s strength lies in its ability to apply a variety of strategies (a mix of

¹⁸ For more information about the key agencies and players, see Table A in the Portland case study in the section, “The Players and the Process.”

“carrots” and “sticks”) to encourage private property owners to rehabilitate their substandard and vacant residential properties. The city has gained a wealth of experience in handling many types of vacant-property owners, from the typical slumlord to the old and indigent. This case study further highlights the benefits of building strong relationships with community groups, nonprofit building and construction organizations, and the real estate industry. San Diego’s efforts also provide a good model of internal coordination among city departments.

- Appointed a vacant properties coordinator within the Neighborhood Code Compliance Department to facilitate the abatement and rehabilitation of vacant properties.
- Assisted property owners (through the coordinator) to renovate, demolish (when appropriate), or sell their boarded buildings. Assistance took the form of a self-help manual, a matching grants program, referrals about financial resources, real estate and contractor guidance, referrals to the county public administrator or pro bono attorneys for title and probate assistance, and volunteer demolition and rehabilitation expertise.
- Built relationships across essential city departments and especially with the city attorney’s code enforcement unit to provide legal expertise in the rewriting of ordinances and policies and in using proper code enforcement remedies.
- Established a vacant property resource team to help coordinate roles and resources and to solve problems across city departments and agencies.
- Sought outside expertise to design an action plan that institutionalized the vacant properties program and eventually provided sufficient staff and resources to ensure the continuity of the program.
- Revised the vacant properties abatement ordinance to require property owners to submit a statement of intent and time line to the city within 30 days of a structure being boarded.
- Developed partnerships with community groups, developers, realtors, investors, business improvement associations, nonprofit groups, contractors, the media, and property managers to help identify problem properties and provide assistance with rehabilitation and demolition.
- Applied a variety of approaches and strategies that include both carrots (incentives for rehabilitation) and sticks (code enforcement remedies) to stabilize the site.



Photo: Joe Schilling

- Communicated regularly with the community, city council and staff, and private sector partners (e.g., apartment owners associations, boards of realtors, and financial institutions) to ensure sufficient political support for the program.

Richmond Program Highlights

Richmond is an older city with an aging housing stock. Economic and social trends have contributed to the out-migration of residents to the city's suburbs, leaving behind neglected inner-city neighborhoods, many of these neighborhoods, which contain numerous vacant properties. Richmond's large supply of vacant and abandoned residential properties serves as a relative indicator of crime and social ills, so to reduce the city's high crime rate, the city council has committed Richmond to reducing the numbers of vacant properties.

Since its beginning in 1999, the Neighborhoods in Bloom (NIB) program, developed by the city manager's office and other city staff, has brought positive results through intra city cooperation, targeted investment of federal and state resources, active code enforcement, more efficient transfer of properties to community development corporations, and a companion public safety and community empowerment program.

Crime rates have gone down in NIB neighborhoods, property values are on the rise, homeownership rates are increasing, and the private sector has expressed a renewed interest in purchasing and renovating homes. One of the distinctive features of Richmond's program is the large percentage of historic properties within its borders that require special consideration while being renovated.



Photo: Kendra Brieche

- **Crime:** One of the principal drivers behind Richmond's Neighborhood in Bloom initiative was to decrease crime, especially in the residential neighborhoods downtown and in the inner-ring suburbs. The local elected officials, city manager and city departments, and neighborhood associations all supported the policy decision to make the revitalization of derelict properties a top "crime-fighting" priority. After the first two years of Neighborhoods in Bloom, the target neighborhoods experienced a 37 percent reduction in violent crime and a 19 percent reduction in property crime.¹⁹
- **Program integration:** Richmond successfully linked a variety of urban redevelopment programs with aggressive code enforcement activities (e.g., community oriented policing and the revitalization of adjacent public housing through its HOPE VI grant).
 - Richmond used a collaborative process to build consensus and set priorities for how

¹⁹ See the table labeled "Reductions in Crime Rates in NIB Neighborhoods" in the Results section of the Richmond case study.

and where to use limited redevelopment resources.

- By concentrating its financial and technical resources in six target neighborhoods, Richmond has accelerated the pace of redevelopment of urban properties. Moreover, Richmond’s investment of public sector resources in these select neighborhoods now has increased the private sector’s interest in these urban areas.
- Richmond focused over half of its annual Community Development Block Grant (CDBG) dollars on the six neighborhoods in most need of revitalization.
- Richmond’s program to harmonize its code enforcement activities (Community-Assisted Public Safety or CAPS) grew from the Neighborhoods in Bloom initiative.
- **Partnerships:** Neighborhoods in Bloom could not have succeeded without strong support from neighborhood organizations and CDCs. Neighborhoods in Bloom formed very effective “cross-sector” alliances between the city government, CDCs, neighborhood associations, and the private sector.
- **Managerial insights:** Richmond’s Neighborhoods in Bloom initiative provided a comprehensive management framework that guided city staff and the community throughout the first two years of implementation.²⁰ Based on their experience , several of the program managers involved with Neighborhoods in Bloom offered the following lessons for local governments and communities considering similar initiatives:²¹
 - Build consensus among all essential stakeholders (including city government, nonprofit organizations, and citizen representatives) from the program outset.
 - Ensure strong leadership from the elected officials, agency staff, and citizens. The city council established the program’s goals, while the city manager’s office served as program champion rallying the support of a cross-section of city and community leaders.
 - Narrow the program focus to heighten success. Start with a manageable initiative (i.e., geographically and programmatically) and then expand from there.
 - Gather good baseline data so that progress can be effectively measured.

²⁰ After two years of success, the Richmond City Council reauthorized Neighborhoods in Bloom in 2001 to continue targeting resources to these six neighborhoods.

²¹ The insights are not presented in any rank order because it is hard to determine whether any one particular insight is more important than another. Success depends on the right blend of these ingredients in response to local dynamics and conditions.

- Increase code enforcement resources to encourage the repair and redevelopment of neglected properties in transitional neighborhoods.
- Market the program effectively to all stakeholders and partners.
- Have patience during the early phases of a new program.

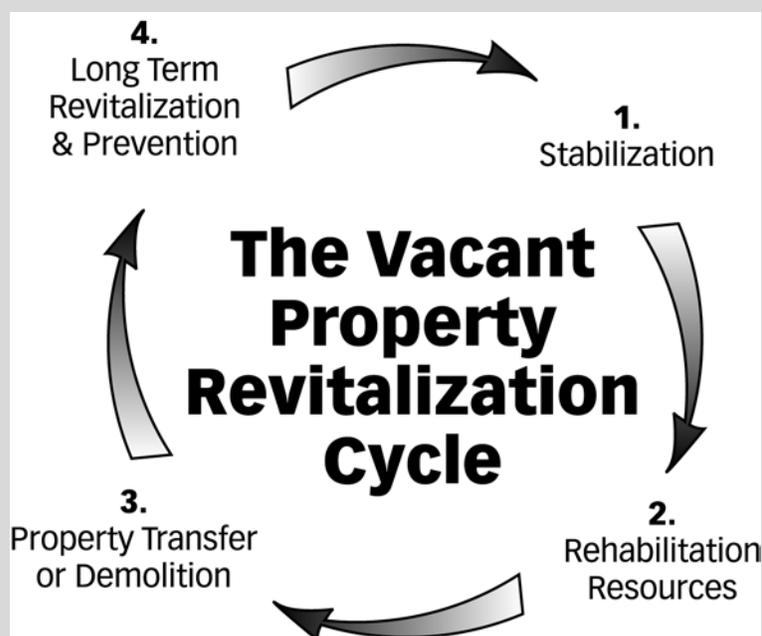
The Management Challenges of Revitalizing Vacant Properties

On many different levels, the revitalization of vacant properties becomes a local government management challenge. Local governments are often in the ideal position to help facilitate the transfer of vacant properties, work closely with community organizations, and exercise code enforcement and abatement powers when appropriate. Successful programs generally require three core management actions:

- (1) coordinating internal city departments into multi-disciplinary teams (e.g., city attorney, economic development, planning, housing, police, engineering) that share resources, prepare joint activities, and ensure that staff members understand their roles and relationships;
- (2) building strategic partnerships and close relationships with important external stakeholders (e.g., CDCs, nonprofit organizations, state legislators, real estate professionals, developers, lenders); and
- (3) designing holistic strategies that integrate the internal city staff and resources with the external players and resources. Holistic strategies must also include programs and policies that address the transitions between the stages of vacant property revitalization (e.g., stabilization, rehabilitation, prevention).

The Vacant Property Revitalization Cycle

The vacant property programs in these three cities responded in different ways to the vacant property problems in their neighborhoods. Each city had relatively unique regulatory frameworks, different housing stocks, and distinct regional socioeconomic dynamics. Despite these and other differences, the local experiences of Portland, Richmond, and San Diego presented sufficient similarities for the study team to design a policy framework or cycle of vacant property revitalization. Depending on the housing stocks and markets, along with the political leadership of local government officials and community groups, each program stressed a particular stage in the cycle.



Policy frameworks, such as this cycle, give both practitioners and policy makers common points of reference and terminology. They can aid in the design of more holistic programs and strategies that address the root causes of abandonment. The cycle's four phases attempt to provide a cohesive template that can adequately capture the diverse range of activities that arise in revitalizing vacant properties. Note that this cycle starts when a vacant property becomes a public nuisance that demands local government attention and ends with prevention. The order within the cycle reflects the general reactive nature of local governments.

The Stages of the Cycle

- **Stage One: Stabilization.** For most cities, the immediate goal is to stabilize the site or neighborhood. Cities generally use a wide array of abatement powers and code enforcement strategies to get the owners to clean up and secure these properties. A major objective is to attract private reinvestment back to these blighted neighborhoods by using city resources to stabilize a few target sites.

Abatement: The first responsibility is to abate those unsafe and unhealthy conditions that create public nuisances on the property and for the surrounding neighborhood.

Investigation and owner's profile: A critical step during the preliminary investigation is to find out why the property owner let the property deteriorate. Does he or she have the interest and the commitment to make the necessary repairs to bring the property back up to code? Does he or she also have the financial or physical ability to complete the rehabilitation? Is the owner only interested in real estate speculation?

Neighborhood inventories: Vacant properties tend not to exist in isolation. Local governments should routinely inventory vacant properties throughout the city to assess possible patterns within neighborhoods and among property owners.²² Such inventories also can provide a list for possible investors.

- **Stage Two: Rehabilitation resources.** After stabilizing the site, cities often provide property owners with a wide variety of resources to encourage them to rehabilitate eligible vacant properties:

Financial resources: CDBG funds, rehabilitation loans, tax credits, tax abatements, waiver of municipal liens.

Technical assistance: permit streamlining, flexible rehabilitation codes, referrals to private sector consultants and contractors, coordination with nonprofits and other local agencies.

Capacity building in property management and ownership: Many landlords and owners have little skill or knowledge about managing and maintaining real property in a decent and habitable condition. Several cities, in partnership with apartment owner

²² The City of Hollywood, Florida, enlisted the help of neighborhood groups and citizens to inventory the conditions of residential and commercial buildings in their neighborhoods. University planning programs and architectural schools also could provide local governments with another source of “labor” to help design and implement “windshield” surveys of abandoned buildings and vacant lots.

associations, real estate professionals, and community development groups, offer workshops and other educational opportunities to teach owners about the fundamentals of property ownership and management.

CDCs: Several cities have formed special development corporations that provide neighborhoods in need with a wide array of housing and community services. CDCs are ideal partners for cities to enlist in their campaigns against vacant properties. In some cases, the CDCs can take on the responsibility of property management or even purchase vacant properties.

- **Stage Three: Property transfer or demolition.** With certain problem properties and complex cases, a city may pursue demolition or force the transfer of the vacant property. Local governments have somewhat limited legal authority to demolish or involuntarily transfer private property. Consequently, cities must strictly adhere to the requisite legal procedures. Cities generally view demolition and property transfer as last resorts and would prefer to work with the existing owner to perform the necessary repairs and rehabilitation. However, in some cases (such as where the property is structurally unsound or the city cannot find a competent property owner or manager), demolition or transfer may become the only viable option to stop further neighborhood blight.
- **Stage Four: Long-term revitalization policies and prevention programs.** Beyond the abatement and rehabilitation of individual vacant properties, cities should integrate vacant properties initiatives with relevant community-wide revitalization efforts (e.g., affordable housing at the local and regional levels, jobs and economic development, safe and healthy neighborhoods) and long-term land-use and growth management planning (infill development, smart growth, mixed use, and community design). Instead of working one vacant property at a time, cities could achieve greater neighborhood stability through these traditional planning strategies.

Vacant property prevention programs present the best hope of permanently addressing the problem of vacant properties. Unfortunately, few cities have sufficient resources to design and implement such programs in a meaningful way. Prevention can take many different shapes. For example, aggressive code enforcement sweeps and slumlord task forces that target owners and properties with housing code violations could prevent borderline buildings from becoming vacant. A few cities have used community groups to inventory potential vacant properties or have applied geographic information system (GIS) technology to track critical properties that could become vacant soon.²³

²³ The Center for Neighborhood Technology (CNT) in Chicago created its Neighborhood Early Warning System (NEWS) as a way for residents and local governments to identify derelict properties before they become vacant. For more information about the indicators and the process of the Early Warning System, see the CNT Web site at

Case Studies and the Cycle

In applying the vacant property cycle to these three case studies, Portland went through the early stages of vacant property revitalization and now focuses more on the consequences of long-term revitalization and less on abatement and investigation. Portland provides a good model on how to integrate vacant properties with growth management, planning, and housing policies and programs. With the economic boom of the 1990s, along with channeling growth through its urban growth boundary and regional housing policies and programs, Portland no longer has a vacant property epidemic. The strong real estate market made it profitable for private developers to step in and rehabilitate vacant properties. According to Erik Sten, Portland City Commissioner, “Ten years ago, abandoned neighborhoods were the issue, now it’s gentrification and affordable housing. How we resolve these issues will decide what type of city we become in the future.”

While not as serious as either Richmond today or Portland in the past, San Diego seems to have contained its vacant property problem. Informal surveys by city staff estimated that San Diego had roughly 450–500 vacant properties in the early 1990s. Today the official number of vacant residential properties continues to hover around 250. Given these relatively constant numbers, San Diego seems to have effectively managed its vacant properties by employing a wide array of code enforcement strategies and resources on a site-by-site basis. Yet many of the same neighborhoods still have similar problems with vacant properties as they did ten years ago and in some cases they involve the same properties, albeit with different property owners. San Diego’s challenges include how to prevent more properties from becoming vacant and how to handle repeat properties or repeat property owners. City staff members are beginning to explore ways to formally integrate vacant properties with the general plan and infill development strategies.

Unlike San Diego and Portland, Richmond’s older and historic housing stock created more vacant properties, along with the associated problems of blight and crime. Vacant properties still present a major citywide challenge for Richmond, but the strategic targeting of resources through its Neighborhoods in Bloom initiative provides a model that effectively links code enforcement and rehabilitation resources. Within the six target neighborhoods, there are fewer vacant and derelict houses and less crime. While CDCs and other public developers have led most of the housing rehabilitation, private sector investors are beginning to explore ways to return to these older, historic neighborhoods. Neighborhoods in Bloom illustrates the importance of having strong support from local political leaders along with creative municipal management and community consensus building.

At this stage, institutionalization and maintenance seem to be the major challenges for the

<http://www.cnt.org/news>.

vacant property programs in Richmond and San Diego. They both continue to refine policies, train new staff, and seek more resources. At various times, Richmond and San Diego struggled with maintaining momentum as staff changed and new priorities distracted local elected and community leaders from vacant properties. Given recent fiscal problems for both states, these two cities worry about whether sufficient resources are available to manage the current number of vacant properties and what might happen if more vacant properties occur. San Diego now has a full-time and qualified vacant properties coordinator and a new state code enforcement enhancement grant to focus on preventing vacant properties, but it also recognizes that more must be done to link vacant properties with long-term neighborhood and community redevelopment plans. Richmond recently reapproved the targeting of resources under Neighborhoods in Bloom. Everyone expects another round of positive results at the end of two more years.

Cross-Cutting Policy Observations

Local governments need multiple strategies so they can craft programs that address citywide abandonment (multiple sites within multiple neighborhoods) and neighborhood properties (multiple and individual sites). Vacant property programs must have a certain degree of flexibility so they can effectively respond to changing market conditions and community dynamics. Based on the experiences of these three diverse programs, ICMA compiled several observations that could assist public and private policy makers in designing more holistic strategies and programs. While the vacant property problems vary from city to city, the following insights cut across the complexities of vacant property revitalization.

Management of City Staff and Resources

Effective vacant property programs demand close coordination among key city departments (e.g., housing, planning, code enforcement, police, fire) and essential local agencies (typically county offices, such as the assessor, tax collector/treasurer, and recorder). Vacant property cases are complex. They often require specialized staff and resources to identify owners, inventory properties, and follow the appropriate legal procedures for abatement or property transfer. Many cities struggle in coordinating staff members and resources across separate city departments. Combating vacant properties requires setting joint priorities and sometimes reallocating staff from their primary missions. Despite these typical obstacles, San Diego's vacant properties coordinator became the primary point of contact with other city staff. She also maintained a close working relationship with her municipal attorney to ensure that appropriate abatement actions complied with relevant statutes and ordinances. Within the City of Richmond, several city departments leveraged the positive support for Neighborhoods in Bloom by reinventing existing programs to include Neighborhoods in Bloom goals, such as the Blitz to Bloom code enforcement program.

Intergovernmental Cooperation

Even when cities improve coordination within city hall, they must also reach out to other governmental entities, such as the offices of the county treasurers and recorders. Administration of property ownership records and tax foreclosure procedures generally fall under the jurisdiction of county governments. Unfortunately, other competing priorities may overshadow vacant properties. All too often, local vacant property programs can be hampered by a lack of cooperation between cities and counties. However, a few cities and counties are joining forces to combat serious community-wide abandonment. The City of Flint, Michigan, and Genesee County are about to embark on a joint program to revitalize more than 5,000 tax

delinquent vacant properties.²⁴ Under a new state law, the county treasurers can expedite the transfer of these vacant properties.²⁵ Genesee County's Treasurer decided to take advantage of this new legal authority and recently executed a formal memorandum of understanding with the City of Flint.²⁶

Code Enforcement Tools and Infrastructure: The Sticks to Stabilize Vacant Properties

Local governments also must have the requisite tools and infrastructure to stabilize neighborhood decline caused by vacant properties and abandoned buildings. Such tools include a wide array of local ordinances (e.g., nuisance abatement, board and secure, registration and maintenance) that provide penalties and the legal framework for acting against recalcitrant landlords and property owners. Other essential tools include (1) a registry of vacant properties,²⁷ (2) property ownership records and investigation databases, and (3) mechanisms to partially recover code enforcement costs.

One of the key challenges that local governments confront is persuading owners to repair and maintain their properties consistent with the minimum standards set forth in state and local codes. In some cases, the city can gain compliance after only a few meetings with the owner.

²⁴ Estimates of the number of abandoned structures in Flint range from 3,500 to 5,000. The plan would allow Genesee County Treasurer Dan Kildee to manage a demolition and foreclosure agreement from the City of Flint. The preliminary goal is to acquire additional grants and loans to knock down about 1,500 vacant units within the first two years of the agreement. *The Flint Journal*, "County to Seek Flint Demolitions," 17 October 2001, A-4.

²⁵ Michigan Public Act 123 of 1999 streamlines the former tax reversion system from a process that took cities and counties as many as seven years to a two-year foreclosure process. The county can choose to keep title or transfer the title to the state. If the property meets the new law's criteria for "abandoned property," the foreclosure could take as little as one year. Paper prepared by Genesee County Treasurer Dan Kildee for Brookings Institution Roundtable, December 14, 2001.

²⁶ The county and the city executed the memorandum of understanding on November 1, 2001 "The relationship [between the city and county] is the most amazing feature of the deal. Flint and the county have long fretted at each other, acting competitively when they should have been mutually supportive. For them to cooperate on a project that even approaches this magnitude is unprecedented." *The Flint Journal*, "Editorial Page, Demolition Program Holds Big Possibilities for Flint," 18 October 2001, A-16.

²⁷ A few cities are using GIS to track existing vacant properties and extrapolate vacant property trends in transitional neighborhoods as a preventative tool. Minneapolis is generating citywide GIS data that will track property characteristics to give land-use planners early warning about distressed neighborhoods. "Citywide GIS Will Warn of Distressed Properties," *American City & County*, (September 2001): 35. Several professors from the University of Pennsylvania are developing an early warning system for the City of Philadelphia. Amy Hillier and Dennis Culhane, *Predicting Housing Abandonment with the Philadelphia Neighborhood Information System*, paper presented 5 November 2001 at the Fannie Mae and Ford Foundation's Roundtable on Vacant Land and Abandoned Properties, Washington, D.C. Please direct inquiries to Amy Hillier at <ahillier@ssw.upenn.edu >.

In other cases, the city must take more aggressive actions through its code enforcement programs.²⁸

Local governments must have sufficient staff and resources to investigate, inventory, and monitor vacant properties as the properties move through the stages in the vacant property cycle—from stabilization to rehabilitation, demolition, or transfer. Many municipalities, however, do not have enough resources to meet the demands of moving properties through the cycle and responding to new sites. As part of its Neighborhoods in Bloom initiative, the City of Richmond leveraged its limited resources by targeting both code enforcement and rehabilitation resources to the



Photo: Norma Medina

New owners have begun rehabilitation.

six neighborhoods with the greatest needs. San Diego’s vacant properties coordinator enlisted several nonprofit groups to help with the rehabilitation and demolition of some sites. By providing a blend of “carrots and sticks,” both San Diego and Richmond could better manage the transition from stabilization through rehabilitation.

Rehabilitation Resources and Regulatory Flexibility—The Carrots Necessary to Repair Vacant Properties

Local governments have a number of creative ways to assist property owners and nonprofit redevelopers rehabilitate vacant properties.

- **Financial and fiscal resources:** Financing revitalization presents a major obstacle because the costs of rehabilitation, along with preexisting encumbrances (i.e., tax and abatement liens), often exceed the market value of these properties. Cities and states can provide an array of financial incentives to make vacant properties more competitive, such as tax lien waivers, tax abatements, housing trust funds, tax increment financing, redevelopment bonds, tax credits, and small rehabilitation grants. Special loan programs are often necessary to close the gap between vacant properties and more traditional development projects. Financial institutions must offer low-interest loans for rehabilitation of vacant

²⁸ Maricopa County/Phoenix formed a joint task force with prosecutors from the city, county, state, and federal government that gained nationwide attention for several high-profile slumlord prosecutions under new Arizona statutes. Elise Labott, “Slum Offensive: After Years of Inaction, Governments Are Starting to Crack Down on Blighted Property Again,” *Governing Magazine* (July 2000).

properties that promote low- and moderate-income housing.²⁹ Here are a few examples: federal low-income housing tax credits, federal tax credits for historic preservation, parallel state tax credits, and state and federal loans for rehabilitation. Local governments also can allocate a portion of federal housing funds, such as CDBG, to target vacant property revitalization. For example, Richmond, Virginia, invested \$7million per year from its CDBG and HOME (HUD’s Home Investment Partnership Program) funds to support the rehabilitation efforts in the Neighborhoods in Bloom impact areas. The city also strategically targeted its HOPE VI projects to revitalize public housing projects within one of the designated Neighborhoods in Bloom neighborhoods.

- **Regulatory flexibility:** Cities and states can encourage vacant property revitalization through a variety of regulatory changes such as permit streamlining and special building “rehab” codes. For example, New Jersey and now Maryland have enacted state building subcodes that make it easier to rehabilitate older buildings.³⁰ Many local zoning ordinances impose strict setback requirements and lot limits that make it difficult to redevelop existing properties that do not conform to current ordinances. Cities could consider modifying zoning and building codes to encourage the revitalization of vacant properties.³¹ As part of its broader smart growth strategies, Portland, Oregon, provided private developers with expedited permitting and, in some cases, a waiver of property taxes to encourage multifamily housing developments near public transit facilities.
- **Technical assistance:** Beyond financial incentives and regulatory modifications, local governments can provide technical assistance to help property owners understand the complex world of vacant property revitalization. Several communities offer special courses in property management skills and landlord “boot camps” to ensure that owners and managers maintain rental units consistent with applicable codes and ordinances. In San Diego, the vacant properties coordinator educated elderly and unsophisticated property

²⁹ One of the challenges encountered by nonprofit developers in Portland, Oregon was coordinating the many different sources of public and private funding. While such financial assistance is critical to making the deal work, trying to satisfy all of the different funding and eligibility criteria can make rehabilitation more complex. These developers strongly recommended more uniform applications and coordination among public and private lenders to streamline the funding process.

³⁰ For more information about special rehabilitation codes, see Richard Fischer, “Rehabilitation Subcode Success,” *Public Management* 12 (2001) or contact New Jersey Department of Community Affairs’ Division of Codes and Standards at <http://www.state.nj.us/dca/coah/>.

³¹ For more practical ways on how to modify local codes and ordinances to accommodate infill development, see Nancy Bragado, Judy Corbett, and Sharon Sprows. *Building Livable Communities: A Policymaker's Guide to Infill Development* (Sacramento, Calif.: Center for Livable Communities, 2001).

owners about the city’s rehabilitation process and code requirements. She also referred them to the county public administrator to help settle complex title issues.³²

Partnerships with Nonprofits, Community Groups, and the Private Sector

Policy analysts often overuse the term “partnerships.” The study team, however, cannot understate the value of building relationships across jurisdictional and sectorial boundaries when confronting the complexities surrounding vacant properties—no single entity or sector can combat vacant properties alone. Partnerships were a common ingredient to the success in all three case study cities. Portland made a special effort to engage community and neighborhood groups in the reuse decisions to ensure that residents were comfortable with the new use and building. Richmond engaged its Council of Neighborhood Associations to help design the framework for its Neighborhoods in Bloom initiative. Portland and Richmond both relied heavily on local CDCs to take on a variety of responsibilities and projects. For example, as part of Neighborhoods in Bloom, CDCs in each of the six target neighborhoods helped inventory derelict houses, offered technical assistance, and provided overall political support. CDCs were integral to Portland’s affordable housing efforts. They transferred a large number of vacant properties and abandoned homes to the CDCs for rehabilitation and resale and also allocated state lottery funds to assist CDCs with the acquisition and rehabilitation.³³ San Diego recruited Hispanic and African-American contractor associations and nonprofit job training corps to help elderly and indigent property owners demolish (only if necessary) and clean up dozens of vacant properties and structurally unsound buildings.

In assessing their own efforts, staff members in all three cities felt they could have done more to enhance private sector involvement and to engage additional private sector partners. For example, San Diego initially worked with the local chapters of the Apartment Owners Association and Board of Realtors to provide political support for its vacant properties program and to obtain technical expertise in creating a vacant properties inventory. However, the level of participation waned as San Diego’s program went through periods of staff turnover. Financial institutions were relatively absent as active partners in these three vacant

³² The San Diego case study explains in more depth the respective roles of San Diego’s vacant properties coordinator. The entire case study can be found on the ICMA Smart Growth Issue Intersection: <http://icma.org/IssueIntersections/smartgrowth.cfm>.

³³ As part of our case study research, several local government practitioners stressed the critical need to build the capacity of CDCs and other nonprofit developers in rehabilitating abandoned and derelict houses. Because of various program criteria, financial incentives, and regulatory complexities, CDCs seem to spend more time building new homes and apartments and less time on rehabilitating existing properties. Both the public and private sectors need to create additional incentives so that CDCs find it attractive and profitable to rehabilitate existing homes even when market conditions are somewhat unfavorable for such projects. Such efforts could help communities meet the growing demands for affordable housing.

property programs. For the program managers on the frontline, engaging the private sector becomes a long-term effort to spur permanent revitalization while they find themselves mired in the short-term priorities of abating vacant properties.

Transfer of Vacant Properties

Cities and communities generally prefer to work with responsible property owners to abate the public nuisances and rehabilitate existing vacant properties and abandoned buildings. For the most part, property owners operate in good faith and cooperate with the city and local residents. When it comes to a large number of vacant properties, however, many owners do not have the physical or financial ability to stabilize and rehabilitate the building. Some owners operate under the good faith belief that they have sufficient knowledge, expertise, and resources. Other owners intentionally neglect properties as part of a financial scam to drain as much value out of the property at the expense of the neighborhood's safety and quality of life. In other cases, the city cannot find the legal owner, because title disputes cloud ownership, and other properties pass through time-consuming probate proceedings.³⁴ San Diego Deputy City Attorney Diane Silva-Martinez reminded us, "Behind every vacant property there is a story. The trick is to find that story and address the underlying issues."



Photo: Joe Schilling

Once the city uncovers the real story behind the owner's motivations for neglect and abandonment, the city may seek the transfer of the property into the hands of a more responsible owner. In certain circumstances, the involuntary transfer may be the best course of action to end continuous abandonment within a neighborhood or community. Given long-standing private property traditions and strong legal protections of property rights, the legal authority and process for cities to involuntarily transfer real property are often cumbersome and time-consuming.³⁵ For example, the process for the sale of tax delinquent properties in

³⁴ In a select few cases, San Diego's vacant properties coordinator worked closely with the public administrator to expedite the final disposition of title for several properties that did not have legally identifiable owners. San Diego also enlisted the pro bono services of private real estate and probate attorneys to help indigent owners with title problems.

³⁵ For an in-depth assessment of existing lien foreclosure processes and how states and local government can improve them, see Frank S. Alexander, *Renewing Public Assets for Community Development* (Washington, D.C.: Local Initiatives Support Corporation, 2000). Copies of Professor Alexander's report along with additional community development resources can be found on the Local Initiatives Support Corporation Online Resources

many cities often takes years to accomplish. In most jurisdictions, the county government (tax collector or treasurer) manages the tax sale process for all of the cities within its jurisdiction. Depending on the relationships, organizational cultures, and resources, city and county priorities do not always coincide.³⁶ For example, some counties have policies that delay tax delinquency actions against a person's principal place of residence. In those cities with an epidemic of abandoned buildings, many counties and cities simply do not have the capabilities to systemically inventory, track, process, and dispose of an overwhelming number of vacant properties. Several states with cities hit hard by abandoned buildings have recently enacted statutes to streamline the tax foreclosure process for vacant buildings.³⁷

Quasi-governmental land banks present another option for cities with widespread property abandonment. Fulton County/Atlanta, Cleveland, and Houston have land banks that acquire and dispose of vacant properties, but the structure and scope of authority differs in each place.³⁸ During the peak of its vacant properties crisis, the Portland Development Commission (PDC) operated as a de facto land bank. The commission assembled individual abandoned properties for redevelopment projects and then posted a request for proposal to nonprofit and private sector developers. Many of these sites involved commercial brownfields redevelopment. The PDC's Housing Department operated under a city resolution that established criteria for the requests for proposals and reinforced the city's public policy targets for affordable housing and the allocation of federal and city funding for low- to moderate-income rental housing, home owners, and home buyer programs.³⁹

Urban homesteading is another strategy that a few cities have used to combat serious and significant numbers of vacant properties. Urban homesteading laws generally authorize local

Library at <http://www.liscnet.org/resources>.

³⁶ In Portland, the Multnomah County tax collector played an active role as the broker for foreclosed properties, especially during the region's vacant properties crisis from 1988 to 1995. The office kept an active inventory of foreclosed properties and even evaluated the potential of these properties for affordable housing and green spaces. Local governments and other quasi-public and nonprofit developers were given preference in the sales of these ideal public purpose locations, with the remaining sites auctioned off to private buyers. As the number of vacant properties diminished, so has the county's program. The office currently processes about 10 properties per year, compared with 40 to 50 properties annually. See the discussion of foreclosure in the "Process and Strategies" section of the Portland Case Study.

³⁷ Michigan Public Act 123 of 1999.

³⁸ For more information about land banks, Alan Mallach, AICP, prepared an outstanding paper that covers many vacant property topics: Allan Mallach, *From Abandonment to Reuse: Issues and Policies in Urban Property Abandonment*. (Orange, N.J.: National Housing Institute 2001), 25–26 ; see also Christina Rosan, *Cleveland's Land Bank: Catalyzing a Renaissance in Affordable Housing*, vol. 3, no. 1, Housing Facts & Findings (Washington, D.C.: Fannie Mae Foundation, 2001), 3.

³⁹ See the discussion of public land assembly in the Portland case study.

governments to enact ordinances that allow residents to occupy vacant properties, fix them up, and then acquire title for their investment of “sweat equity” in the property. Detroit experimented with urban homesteading during the 1980s and 1990s, but with mixed success.⁴⁰

Municipalities can also consider the appointment of receivers as an interim solution to ensure rehabilitation. Under the housing laws in some states, local governments and private citizens (in certain cases) can file court actions against property owners for maintaining substantially substandard properties. The buildings may be fully or partially occupied. Through this form of civil litigation, the city can ask the court to appoint a receiver to rehabilitate and manage the property. Receivers generally have the authority to incur loans and other debt to facilitate rehabilitation. In the short term, receivership works best with partially occupied properties so the receiver can collect rents and generate income to defray some of the rehabilitation costs. In the long term, several state receivership statutes allow the courts to sell the property under special circumstances.⁴¹ Receivership could work as a vehicle to transfer vacant properties, especially in states that allow CDCs and other nonprofit entities to act as receivers.⁴²

The vacant properties programs in the three case study cities did not focus attention on involuntary transfers. PDC did facilitate such transfers during the peak years of Portland’s vacant properties crisis. But in general these cities preferred to help owners go through the existing foreclosure and tax delinquent procedures. For example, San Diego has a general policy not to acquire vacant properties, even as an intermediary, given liability and management concerns, along with the cumbersome county transfer process. Richmond has a greater number of abandoned properties, so the city’s Real Estate Services Department sold 344 tax delinquent properties in the six target Neighborhoods in Bloom neighborhoods within a six-year period from 1994 to 2000. The city hopes to increase the rate to 200 properties a year.⁴³ The city offered these tax delinquent properties at low prices to nonprofit organizations

⁴⁰ Recent efforts by the Michigan legislature seek to improve the ability of older cities to use urban homesteading. See generally, *The Detroit News*, “State Pushes Program to Rebuild Urban Centers: Homestead Act Is Designed for Aging Cities Like Detroit,” 19 February 1999, A-2. Until 1995, the Portland Bureau of Housing and Community Development used HUD funds to operate an urban homesteading program to encourage residential development within blighted areas.

⁴¹ The California legislature recently amended its state housing law (California Health and Safety Code sections 17980.7 and 17980.9) to allow a court to appoint a nonprofit organization or CDC as a receiver for a substandard building. Assembly bill 1467 (Chapter 594 Laws of 2001) also allows courts to approve a lien for any moneys owed to a receiver for services. The City of San Diego’s Code Enforcement Unit helped draft this new legislation.

⁴² Illinois recently enacted a statute that allows nonprofit housing organizations to gain temporary possession of abandoned and tax delinquent property to rehabilitate for low- and moderate-income housing. Allan Mallach page 32.

⁴³ See “Tax-Delinquent Properties and Transfers of Ownership” in the Richmond case study.

and the Richmond Redevelopment Housing Authority for affordable housing projects and other public uses.

Bank foreclosures against owners who default on their loans can provide another obstacle to the transfer of vacant properties.⁴⁴ A bank might inherit the loans on vacant properties through various mergers and other mechanisms, but not commence the actual foreclosure process because it does not want to acquire legal title. Stories abound in which out-of-town financial institutions ignored demands from local governments and citizens to merely clean up and secure abandoned buildings while the property proceeded through “foreclosure limbo” for periods of months or years. Even when the property goes on the public auction block, the city has little control over the qualifications and capabilities of the prospective owner. The low value of abandoned or derelict properties and market dynamics make it ideal for ruthless speculators to acquire and then “flip” the properties as quickly as possible with little if any repairs.⁴⁵

Transferring properties always presents local governments with a major dilemma between the rights of property owners and the interests of the neighborhood and community. States attempt to fashion laws that allow local governments to target properties owned by the slumlords and speculators but provide innocent property owners with sufficient due process safeguards. Finding the right balance between these interests is both a political and practical challenge for state and local policy makers. More work must be done to collect and assess existing state laws that can empower local governments to combat slumlords, stabilize individual properties, and also respect private property rights.

Intangible Ingredients: Catalysts and Champions

Despite all of these policy observations and analysis, successful public policies often depend on a number of intangible ingredients. Perhaps a group or individual acts as a catalyst that brings the neighborhood vacant property problems to the attention of local policy makers. In some cases, vacant properties rise to the top of the local political agenda; in other cases, they

⁴⁴ Predatory lending has become a major barrier to providing affordable housing for those residents in most need of homeownership. Experts and housing advocates point out that predatory lending also lays the foundation for potential abandonment. Allan Mallach, page 13.

⁴⁵ One speculator created a classic flipping scam in Cleveland nearly two years ago. Reporter Bob Paynter authored a series, “From Ramshackle to Riches,” in the *Cleveland Plain Dealer*: “Buyers Beware? Investors See Little Risk; Inner-City Houses Bought at Premium with Little Checking,” *Cleveland Plain Dealer* 27 August 2000, 15-A; “A Boom in Houses of Cards: By Flipping Inner-City Properties, Owners Inflate Prices and Snare Outside Buyers Who Pay Premium Prices,” *Cleveland Plain Dealer*, 28 August 2000, 1-A; “Quick Resales Heat Housing Market; Investors Reaping Fast Money Draw Activists’ Anger,” *Cleveland Plain Dealer*, 27 August 2000, 1-A.

get buried with competing priorities. Much depends on the ability of a few individuals to somehow generate sufficient vision and energy that bring together the right parties at the right time. These requisite skills and talents are more art than science.

In the three case studies, several individuals or entities emerged as the catalysts for the development of these vacant property programs. With changing political and market dynamics, these champions had to adapt and modify their activities. What were once handled as isolated public nuisances evolved into vacant property programs. For example, in Richmond, the city manager's office became the initial focal point as it brought together all of the critical city departments to design the Neighborhoods in Bloom initiative. In San Diego, the vacant properties coordinator within the Neighborhood Code Compliance Department and the senior attorney in the city attorney's Code Enforcement Unit led the city's vacant properties efforts. Portland had many champions throughout the evolution of its program (e.g., nonprofit community developers, planners, architects, citizen groups, housing advocates). With its comparatively strong market dynamics, those in Portland who led the charge against the evils of vacant properties now must adapt to the new challenges of gentrification and housing affordability.

Conclusion

Our overall research effort presented a general snapshot of what a few local governments have done to combat vacant properties. We tried to answer a few questions for both practitioners and policy makers: What actions are local governments taking to identify and manage vacant properties? What practical lessons can other cities adapt from these case studies to combat vacant properties in their communities? What concrete steps can local governments take to integrate the rehabilitation of vacant properties with broader smart growth principles? What can cities do to prevent owners from abandoning their properties? More work must be done to fully understand the complexities of vacant property revitalization.

The case studies, however, illustrate that successful vacant property programs depend on crafting holistic strategies, building strong partnerships, and having the right personnel and resources to manage them. These programs must further ensure they have the requisite political and community support. In Richmond, the city council and the community backed the manager's plan to target code enforcement and rehabilitation resources to the six neighborhoods in most need of assistance. Neighborhoods in Bloom also required strong political leadership and innovative public management to maintain its coalition. San Diego found success by blending a combination of incentives and penalties as part of its code enforcement programs to encourage owners to abate and rehabilitate vacant properties. The San Diego City Council and community groups concurred with the original program design of the Neighborhood Code Compliance Department and city attorney's Code Enforcement Unit. San Diego's vacant properties efforts received further political help from new statutes introduced by local state legislators.⁴⁶

A successful program also must tailor its response to both the scope and severity of the vacant property problems. The approaches adopted in Richmond and San Diego might be insufficient for a city with widespread abandonment such as Detroit or Baltimore. Some cities may need greater resources and additional powers to address more severe problems. Programs need flexibility to respond to changing market conditions. Portland's program evolved from just managing vacant properties to integrating vacant property revitalization as part of its growth management plans and affordable housing strategies.

Collectively, these three cities further highlight the strong promise that vacant property revitalization holds for promoting the principles of smart growth. Portland's experience alone provides a good model for making vacant properties a centerpiece of any smart growth

⁴⁶ On two separate occasions, the California Legislature enacted legislation sponsored by the City of San Diego that gives cities greater authority to combat slumlords and to expedite the recovery of nuisance abatement liens.

strategy. However, more work must be done to fully identify, understand, and solidify these potential linkages. Local governments could benefit from a broad list of specific actions that integrate the rehabilitation of vacant properties with smart growth objectives, such as infill development and affordable housing.

Each of the three cities illustrated one or more of the critical stages in the vacant property revitalization cycle. San Diego concentrated on stabilizing individual sites, while the scope of Richmond's program included six neighborhoods with the most serious problems. Portland provided a view of the entire cycle as it moved from abating vacant properties to confronting the longer-term issues of housing affordability and gentrification.

Most local governments, however, still find it difficult to move beyond the interim management of vacant properties to the permanent revitalization of neighborhoods and communities. They get stuck abating one site at a time. Depending on market cycles and budget priorities, local governments devote most of their staff and resources to identifying vacant properties, stabilizing sites, and perhaps expanding to high-priority neighborhoods. Where vacant properties reach near epidemic proportions, a few cities actually manage large portfolios of vacant properties. Given the high number of vacant properties and the constant cycle of repeat properties and slumlords, cities have found it extremely difficult to turn the corner and strategically focus on longer-term strategies. Other quality-of-life issues, such as jobs, public safety, and schools, intersect with vacant properties when a city meaningfully addresses neighborhood revitalization. The regional economy and housing market also play a major role as cities transition to the next stage in the vacant property cycle. Vacant property programs, however, must create the right climate to attract private investment back to these severely distressed neighborhoods and communities. Consequently, local governments and communities need assistance to help them move beyond the early stages of the vacant property cycle. Additional research, technical assistance, and outreach could help identify best practices and further refine our collective understanding of how vacant property programs evolve and adapt.

Additional Challenges on the Horizon

The program managers from Portland, San Diego, and Richmond identified several current and future challenges as they seek to systematically rehabilitate vacant properties within their communities. Here are a few of their thoughts and insights.

- **Affordable housing:** Many cities focus their vacant property programs on stabilizing individual or several sites. They dream about the challenges of housing affordability as they struggle to attract private investors back to these neighborhoods devastated by dozens of vacant lots and abandoned buildings. However, representatives from all three case study cities stressed the need to consider the potential impacts of their efforts on current

residents. Strategies should be developed today to ensure that escalating real estate prices and revitalization projects do not drive existing residents and small businesses from these neighborhoods in transition. Portland’s experience provides a good model in which it made vacant properties an express part of its affordable housing strategy.⁴⁷

- **Prevention:** Another element in waging a systematic campaign against vacant properties includes actions to prevent properties from becoming vacant and abandoned in the first place. Prevention could hold the key to successful, long-term neighborhood and community revitalization of such properties. For most cities, however, prevention is yet another step they find difficult to take. Stakeholders from all three case study cities recognized the importance of prevention but also mentioned that preventative approaches are sometimes difficult to accomplish along with actions to abate and stabilize existing vacant properties. Part of the difficulty lies in how to identify properties on the brink of vacancy. The Center for Neighborhood Technology’s Neighborhood Early Warning System (NEWS) in Chicago and the University of Pennsylvania’s work with the City of Philadelphia show great promise in compiling key indicators.⁴⁸

Once the data is gathered and the investigation is completed, then what type of intervening actions can a city take? Again, most cities have limited legal authority to act unless the property contains violations of local ordinances or state habitability laws. Here cities must work more closely with property owners and real estate and development professionals—the apartment owner associations, board of realtors, housing developers, lenders, title insurers, and others. By working closely with the private sector, local governments may get a better understanding about the impact regional and local markets have on their goals to rehabilitate vacant properties. More importantly, they might get a better grasp on the underlying root cases of abandonment so they can help property owners in transitional neighborhoods keep from walking away from their properties.

Preventative measures are also demanding on staff members because they must often spend more time encouraging owners to take preventative measures. Prevention of substandard housing in several key neighborhoods is a major focus of San Diego’s California Code Enforcement Enhancement Grant. Thus, lessons learned from San Diego

⁴⁷ Cities may want to consider community land trusts as a mechanism to reduce the purchase costs for low- to moderate-income homeowners and thereby minimize the impacts of gentrification and housing affordability. A good example is the Portland Community Land Trust, a citywide program dedicated to helping residents of gentrifying neighborhoods become homeowners. Danielle Arigoni, pages 38–39.

⁴⁸ NEWS is an online inventory of real property in Chicago that synthesizes data that could indicate properties on the brink of abandonment (e.g., code violations, housing court cases, delinquent utility bills, tax delinquencies, fire records, real estate sales and tax assessments). Contact the Center for Neighborhood Technology at <http://www.cnt.org/news>.

might help guide other cities in developing more preventative approaches.

- Enhanced roles for the federal and state governments:** Officials from all three case study cities mentioned the critical need for both the federal and state governments to become more directly engaged with vacant properties. Additional grant funds could help local governments create databases to inventory and track the disposition of vacant properties.⁴⁹ State laws could be amended to expedite the transfer of tax-delinquent vacant properties. More could be done to follow Portland’s path in which state statutes and regional plans made it easy for the city to integrate the revitalization of vacant properties into its growth management and housing affordability approaches.



Photo: Joe Schilling

- Vacant and abandoned commercial buildings (greyfields) and publicly owned vacant properties:** These two types of vacant properties pose special challenges for local



Photo: Joe Schilling

Former post office, Columbia Heights neighborhood, Washington, D.C.

governments. While all three case study cities channeled most of their resources toward residential properties, they all acknowledged the importance of tackling vacant commercial properties. The Congress for New Urbanism calls vacant shopping centers and strip commercial properties “greyfields.” Unlike brownfields, these sites generally do not have any or only insignificant amounts of environmental contamination. Yet they can still create a

⁴⁹ While CDBG funds are certainly flexible enough to partially defray local government costs to develop such databases, along with other vacant property initiatives, the competition for limited CDBG funds is keen. Cities need new resources that specifically target the identification, inventory, and assessment of vacant properties. One possibility is the Department of Commerce. Under its Technology Opportunities Program, it makes grants to help local governments design and enhance GIS systems related to vacant properties. The City of Minneapolis was awarded a two-year, \$500,000 grant to develop the Minneapolis Neighborhood Information System (MNIS). Part of MNIS will include the development of an early warning system to predict the risks of housing abandonment.

blighting influence on an entire neighborhood. Unfortunately, local governments do not always have the same legal tools to abate commercial structures, and different standards and procedures often apply. Moreover, the economics of the regional market place come into play more with commercial buildings, thus, local governments have to modify their negotiations and other compliance strategies. Few local governments have actively engaged in acquiring these sites and doing the redevelopment on their own.

Vacant properties owned by other levels of government or other quasi-public entities create serious headaches for most vacant property programs. Our research found a wide range of examples that included former post offices, military housing, public housing projects, schools, state office buildings, and county health offices. Many of these public landlords are generally exempt from local zoning and building code requirements. A city still may be able to take legal action to abate public nuisances caused by these properties, depending on the circumstances. However, the process to sue other governmental entities is fraught with complexity and the potential for political fall out through adverse publicity might discourage a local government from taking such action.⁵⁰

⁵⁰ In *United States v. City of St. Paul* (258 F.3d 750; 8th Circuit, 2001) the Court of Appeals ruled that HUD could not be forced to tear down a house that violated local housing codes. When a HUD-insured mortgagor defaulted and abandoned the house, the mortgagee turned it over to HUD. The city inspected the house, found it a public nuisance, and ordered HUD to make the necessary repairs. For the first six months HUD kept the building secure, maintained the property, and developed a marketing plan. HUD began negotiations with a prospective purchaser to rehabilitate the property, but the process took another seven months to close. Despite the prospective purchaser and HUD's efforts to keep the property clean, the city held an administrative abatement hearing where it obtained a demolition order. HUD then went to federal court and got an injunction preventing the city from ordering HUD to abate nuisances in "any" properties it acquires, to demolish HUD property, or to take any other action inconsistent with HUD's authority. The Court of Appeals upheld the injunction against the city by ruling that St Paul's nuisance abatement laws would interfere with the federal objectives of the National Housing Act.

A Vision for the Future—A National Campaign to Combat Vacant Properties

Now is the time for public and private policy makers to craft a national campaign to alleviate the blight and squalor caused by vacant land and abandoned buildings. While communities confront a wide array of housing and land development issues, a national campaign to combat vacant properties could help focus fragmented policies and programs to provide a concrete opportunity to implement smart growth principles at the regional and local levels.

Why are Vacant Properties a Timely National Issue?

Vacant properties present a complex problem that is national in scope. While no comprehensive inventories of vacant properties exist,⁵¹ anecdotal information, articles, and case studies provide reliable evidence about the broad impacts that vacant properties create. Vacant properties cause significant disinvestments in our urban centers and older suburbs. They decrease property values and burden municipal services. As a result of economic dislocation and restructuring, the large-scale abandonment found in Philadelphia, Detroit, Baltimore and other industrial cities of the Northeast and Midwest alone is sufficient to demand a national response against the community devastation caused by vacant properties.. For decades, vacant properties were thought of as only as an inner-city problem, but the plague of abandoned houses and strip malls now engulfs older suburbs and even rural villages. While the scale, severity, and type of vacant properties vary, they exist in virtually every town across America. We must also remain vigilant about the potential for more abandoned buildings and vacant land. With the recent economic downturn, the climate appears ripe for an upswing in the cycle of abandonment and foreclosures. All of these indicators argue in favor of bringing national attention to this complex public policy problem of how to prevent, manage, and revitalize vacant properties.

Recently, a number of national organizations have begun to focus their research and policy agendas on vacant land and abandoned buildings. In December of 2001, Bruce Katz, Director of the Brookings Institution's Center for Metropolitan Research convened a half-day session on the efforts of Genesee County and the City of Flint, Michigan, to design a comprehensive vacant property initiative that would demolish more than 5,000 abandoned housing units under the auspices of new Michigan tax delinquency legislation. In November 2001, the Fannie Mae and Ford Foundations brought together leading experts and practitioners for a one-day roundtable to share recent experiences and research and on vacant properties. And earlier this

⁵¹ "It still remains unclear how much urban vacant land or how many abandoned structures exist in U.S. cities, as there have been no comprehensive, systematic studies assessing these conditions in more than a quarter century." In 1998 Pagano and Bowman surveyed local government officials (typically planning directors) from cities with populations over 100,000. Ninety-nine cities responded to the survey (a 50.3 percent response rate) that estimated the amount of vacant land and number of abandoned buildings in their communities. Id. at page 2.

year, ICMA launched its Vacant Properties Network and electronic discussion group (<http://icma.org/IssueIntersections/vacantProperties.cfm>), which acts as a clearinghouse and forum for local government officials and other stakeholders to share best practices and seek practical assistance in revitalizing residential and commercial vacant properties.⁵² These preliminary activities bode well for pushing vacant property revitalization to the forefront of the domestic policy agenda. Now is the time to build on the momentum of these organizations⁵³ and to bring together other strategic public and private sector stakeholders to form the nucleus of a national campaign.

What Are the Potential Benefits of a National Campaign?

A national campaign could accomplish the following goals:

- Rectify the imbalance that favors new construction over the rehabilitation and recycling of existing buildings.
- Establish stronger national and regional partnerships between central city leaders, community development practitioners, and smart growth stakeholders and organizations.
- Provide local governments with a practical strategy that implements the principles of smart growth by (1) redirecting growth into existing areas with vacant properties (central cities and older suburbs) that already have existing infrastructure and (2) encouraging communities to use vacant properties as ideal opportunities for infill development, mixed-use projects, greater density, and affordable housing.
- Facilitate the design and implementation of more holistic vacant property programs.
- Foster stronger relations between local governments and community development corporations.
- Serve as a “call to action” for a new national revitalization initiative that could galvanize both the public and private sectors along similar lines as the positive impacts of the brownfields redevelopment movement of the past six years.⁵⁴

⁵² Several experts agree that “[m]ore opportunities for city-to-city communication must be created in order to gain insight into opportunities for systemic changes and large scale improvement.” Pagano at page 8.

⁵³ The Local Initiatives Support Corporation (LISC) also supports a working group of academics, policy experts and practitioners on vacant properties—The Public Assets Network. LISC coordinates quarterly conference calls on various vacant property issues that impact community development corporations, such as streamlining the state and local processes for transferring and disposing of tax delinquent vacant properties.

⁵⁴ One way to organize a national campaign to combat vacant properties is to borrow from the successes in redeveloping contaminated properties, such as brownfields. Working with state and local governments, U.S. EPA orchestrated a series of administrative reforms and pilot grant programs starting in 1995. The reforms provided

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owners and developers with greater protections from legal liability under the Superfund law. The EPA pilot grants supplied state and local governments with the necessary resources to assess the level of contamination and fund actual clean ups. Both initiatives enhanced intergovernmental cooperation and created a more receptive climate within the private sector to reuse brownfields. As of 2001, the US Environmental Protection Agency (EPA) has awarded state, tribes, and local governments 400 Brownfields Assessment Pilot Grants, along with 127 Revolving Loan Fund Grants, and 47 Job Training Pilot Grants. In January 2002, President Bush signed the Small Business Liability Protection Act that will increase EPA’s annual funding for brownfields grants and initiatives from roughly \$92 million (fiscal year 2001) to over \$200 million.

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