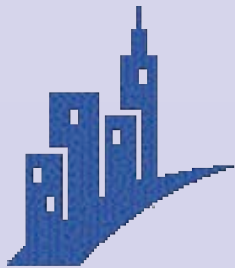


Seizing City Assets: Setting an Agenda for Urban Land Reform



Federal Reserve Bank of Cleveland

August 27, 2008

Setting an Agenda for Urban Land Reform

Traditional thinking about vacant land...

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



Setting an Agenda for Urban Land Reform

Emerging Thinking About Vacant Land...

- Vacant land is an asset.
- Use of vacant land can stimulate economic development and neighborhood improvement.
- Vacant land represents an opportunity for infill development, and an alternative to suburban sprawl



Ten Steps to Urban Land Reform

Step 1. Know Your Territory

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

Ten Steps to Urban Land Reform

Step 2 **Develop a Citywide Approach to Vacant Land Reclamation and Reuse**

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

Ten Steps to Urban Land Reform

Step 1. Know Your Territory

Step 2. Develop a Citywide Approach to
Redevelopment

Step 3. Implement Neighborhood Plans in Partnership
with Community Stakeholders

Ten Steps to Urban Land Reform

Step 3. Implement Neighborhood Plans in Partnership with Community Stakeholders

- Top down/bottom up
- Variety of community stakeholders

Ten Steps to Urban Land Reform

Step 1. Know Your Territory

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Step 4. Make Government Effective

Ten Steps to Urban Land Reform

Step 4. Make Government Effective

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

Baltimore's CitiStat

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

- Housing complaints;
- Open house notices;
- Cleaning and boarding;
- Demolitions.



Ten Steps to Urban Land Reform

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Step 5. Create a Sound Legal Framework for Redevelopment

Ten Steps to Urban Land Reform

Step 5. Create a Sound Legal Framework for Vacant Land Reclamation

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

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Step 6. Create Marketable Opportunities

Ten Steps to Urban Land Reform

Step 6. Create Marketable and Innovative Reuse Opportunities

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

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Step 7. Finance Redevelopment

Ten Steps to Urban Land Reform

Step 7. Finance Redevelopment

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

Ten Steps to Urban Land Reform

Financing Tools:

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



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Step 8. Build on Natural and Historic Assets

Ten Steps to Urban Land Reform

***Step 8.* Build on Natural and Historic Assets**

- Build from natural amenities: riverfronts; classic parks, etc.
- Historic buildings can be a competitive advantage

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Step 9. Be Sensitive to Gentrification and Relocation Issues

Ten Steps to Urban Land Reform

Step 9. Be Sensitive to Gentrification and Relocation Issues

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

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Step 10. Organize for Success

Ten Steps to Urban Land Reform

Step 10. Organize for Success

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

Ten Steps to Urban Land Reform

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- Step 6.** Create Marketable Opportunities
- Step 7.** Finance Redevelopment
- Step 8.** Build on Natural and Historic Assets
- Step 9.** Be Sensitive to Gentrification and Relocation Issues
- Step 10.** Organize for Success