The Property Revitalization Framework

A Systems Based Approach

Justin Godard – Center for Community Progress
Presentation Outline

• Recap: The Cycle of Vacancy
• A Pathway Forward
  • The need for a comprehensive approach
  • Key tools used by local government in the field of vacant property revitalization
• What’s Next
• Questions
Recap: The Cycle of Vacancy
Cycle of Vacancy
Equity Challenges Create Conditions for Vacancy
Disasters Trigger Vacancy

Photo Credit: James Joel, Flickr

Photo Credit: Architect Magazine
Vacancy Weakens Confidence in Communities
Vacancy’s Impacts

Ways Vacant, Abandoned, and Deteriorated Properties Negatively Impact Communities

PUBLIC HEALTH
- Creates unsafe environment for occupants (e.g., lead, asbestos)
- Creates unsafe environment for neighbors (e.g., attracts crime, rodent harborage, physical threat)
- Harms mental health

INDIVIDUAL WEALTH
- Lowers surrounding property values, threatening homeowners’ investment
- Property deterioration exceeds cost-effective repair
- Higher insurance premiums

COMMUNITY FISCAL STABILITY
- Lowers property values, reducing tax base
- Contributes to future property vacancy
- Increases municipal service costs
Addressing VAD Properties
Traditional Response to Removing VAD Properties
Traditional Response to Removing VAD Properties
Traditional Response to Removing VAD Properties

... I could really use a little help!
WHY ISN’T THIS WORKING?

... I could really use a little help!
Cycle of Vacancy
Property Revitalization Framework
Equitable Revitalization Framework

Systemic Vacant, Abandoned, and Deteriorated Properties

- Ensure Lasting Community Benefit
- Cultivate Property Owner Compliance
- Transition Property to New Ownership
- Temporarily Hold and Maintain Property

Vacant, Abandoned, and Deteriorated Property Remediation and Prevention

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A Comprehensive Approach

Uses a Diverse set of Tools both supportive and punitive to address a variety challenges related to market conditions, ownership issues, legal issues, etc.

VAD properties touch many local departments and people – from housing and building code enforcement to tax collection to police; all need to be brought into collaborative, solution driven discussions

Considers various stages of property deterioration and vacancy and uses comprehensive strategies to develop various pathways to revitalization
A Need to Center Equity & People

- Helps entire neighborhoods recover from disinvestment through intentional, supportive approaches to reinvestment.
- A **collaborative** approach improves community conditions and ensures ALL people live in strong, equitable communities where vacant, abandoned, and deteriorated properties no longer exist.
- Acknowledges different situations demand different approaches
Equitable Revitalization Framework

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Policies, Practices, Processes

Vacant, Abandoned, and Deteriorated Property Remediation and Prevention

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Cultivate Property Owner Compliance

Goal: Enable Property Compliance

Goal: Prevent Property Decline
Property Compliance

**Tools: Code Enforcement Education and Procedures, Rental Regulation**

- Established property maintenance standards
- Dangerous Building and Nuisances Abatement standards
- Provide education to homeowners and tenants
- Resources for vulnerable homeowners and landlords
- Home repair grants/loans incentives

[Filling the Gaps: Helping Struggling Property Owners Connect to Rehab and Repair Resources](#)
Property Compliance

Tools: Property Tax Assessment, Incentives, Exemptions; Property Tax Enforcement Procedures

- Property tax incentives and exemptions e.g. homestead exemptions
- Property tax relief, education, and resources for vulnerable homeowners
- Property tax enforcement procedures
Equitable Revitalization Framework

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Vacant, Abandoned, and Deteriorated Property Remediation and Prevention
Transition Property to New Ownership

Goal: When compliance measures have failed; tools are needed to enable a transfer of the property to new, responsible owners.
Transfer Property to New Ownership

Tool: Property Tax Foreclosure

Lien/Delinquency → Accrual of Penalties and Interest → Notice/Opportunity To Redeem or Dispute

Property Transfer ← Enforcement Event(s)
Transfer Property to New Ownership

Tools: Code Lien Foreclosure, Receivership

• Where the existing delinquent tax enforcement system is insufficient, explore local government’s authority to leverage key housing and building code enforcement to compel transfer
  • Ex., Alternative Strategies for an Equitable, Efficient, and Effective Code Enforcement System in Mobile, Alabama (Community Progress, June 2016)

• Explore use of eligible third parties to abate problems at properties
  • Ex., Baltimore City’s Vacants to Value Program; Chicago’s Troubled Buildings Program
Transfer Property to New Ownership

**Tool: Public & Private Entities for New Responsible Stewardship**

- Develop network of end users (CDCs, private developers, public entities, mission driven organizations) in place to transfer properties to that will be responsible owners for different property types (1-4 family, multiunit residential, commercial, vacant lots and land).
Temporarily Hold & Maintain Property

**Goal:** Ownership that is responsible for the maintenance of properties to prevent further decline and neighborhood harm.
Temporarily Hold & Maintain Property

**Tool: Code Compliance**

- Enforce property maintenance standards
- Dangerous Building and Nuisances Abatement standards
Temporarily Hold & Maintain Property

Tool: Land Banks

• A land bank is a public authority or nonprofit that focuses on the conversion of vacant, abandoned, tax-delinquent, or foreclosed properties to support equitable community development outcomes. Powers include:
  • Acquisition of Tax Foreclosure properties
  • Property assembly
  • Tax exemption
  • Disposition below market value
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Ensure Lasting Community Benefit

**Goal:** New ownership and use of properties that aligns with community goals
Ensure Lasting Community Benefit

Tool: Community Visioning; Planning & Zoning; Vacant Land Management; Innovative Ownership Models

• Develop clearly articulated community visions and goals to serve as guidance for property end use
• Revisit plans and zoning to ensure allowable use of properties to serve community needs
• Develop vacant land management plans that enable long term use of land as a community asset
• Look to community land trusts, land conservancies, affordable housing developers and other community innovations for reuse of properties which support communities
Ensure Lasting Community Benefit

Tool: Funding & Financing for Structure Repair, Rehabilitation, Redevelopment, and Land Management & Reuse; Property Tax Exemptions

• Evaluate existing public funding program (CDBG, HOME) and how they can be used to support community goals
• Dedicate funding to repairs and reuses of properties
• Property tax incentives and exemptions e.g. homestead exemptions, TIFs, Neighborhood Homes Investment Act
Equitable Revitalization Framework

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What’s Next?
Where to Start?

- Gather partners and coordinate across silos
- Gather, analyze and aggregate data to understand systemic causes and opportunities for strategic intervention
- Understand and implement tools for property revitalization
Questions?

Thank You!
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