

**Urban Vacant Land Redevelopment:
Challenges and Progress**

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Abstract

While recent attention has cast a spotlight on urban brownfields (contaminated industrial sites), relatively little research or policy work has considered the vast untapped potential of the large number of small vacant and abandoned lots that lie in the midst of most economically depressed urban neighborhoods. Understanding the circumstances that create this situation—and inhibit its amelioration—will enable us to develop alternative policy mechanisms that promote redevelopment and neighborhood revitalization.

This research focuses on the nature of the urban vacant land problem common to many U.S. cities and the barriers to redevelopment of such land. The paper characterizes the myriad causes and consequences of urban vacant land, and provides several examples of innovative approaches to redevelopment. Several findings have emerged from this work. First, urban vacant land redevelopment may be addressed through broad policy approaches such as regional governance and land-use planning, and/or through programs targeted to address specific place-based barriers. Neither approach alone will conclusively resolve the issue of urban vacant land. Since urban disinvestment and decline is inextricably linked to suburban growth, in order to effectively address the problem the governance structure must include both.

Second, government has an important role to play in fostering urban vacant land redevelopment by giving clear policy signals to developers promoting redevelopment and easing the way for properties to reenter the land market through expedited foreclosure and property disposition. In some cases this will require significant restructuring to coordinate functions.

Finally, the research points to the importance of public/private partnerships and the significance of Community Development Corporations (CDCs) and other neighborhood entities in guiding local land use planning and decision-making. As traditional approaches without local input continue to languish, the potential of CDCs and other community organizations' to help vacant land redevelopment efforts succeed has become increasingly clear.

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Urban Vacant Land Redevelopment: Challenges and Progress

I. Nature of the Urban Vacant Land Issue

Introduction

One need only drive a few minutes from the center of any major American city to find neighborhoods full of abandoned buildings and trash-strewn vacant lots. It seems strange that land convenient to economically vibrant areas where many people work, land that often abuts desirable residential and commercial property, land that should itself have great value, lies underused and ignored. There are numerous causes of urban land abandonment, including decline of industrial base with corresponding job loss, increased criminal activity, and the unwillingness or inability of property owners to maintain their properties. “The areas which have been worst affected include large, old cities, especially where heavy industries and dock areas have become run down and where the local economies have been insufficiently dynamic or flexible to absorb the land into new uses.”¹

The problems of urban decay are integrally linked in a vicious cycle that policy makers and social activists struggle to break. As businesses decline and people lose jobs, they lose the ability to maintain their homes or pay rents sufficient to allow landlords to maintain properties; and they no longer have income to stimulate the local economy and sustain neighborhood businesses. Businesses close, properties decline and, in some cases, are abandoned. As the population of the neighborhood drops and becomes economically desperate, there are fewer people earning incomes to encourage business and fewer eyes watching the neighborhood to prevent crime. The neighborhood becomes less desirable to those residents that still have jobs and is not as attractive to new residents. More existing businesses close, new businesses do not see the area as an appealing location, so nothing takes the place of vanished businesses, and nothing replaces lost jobs. Residential properties follow this decline, become ill-maintained and in some cases, abandoned. Eventually, some are demolished, leaving gaping holes in the face of the neighborhood.

Urban decay is also inextricably linked to its counterpart, suburban sprawl. Each time development opts for an undeveloped greenfield in a suburban or rural location instead of a previously developed urban site, economic life is pulled out of the city while our reserves of undisturbed land diminish. In making this choice, we forego opportunities to develop land that has much higher potential. Aside from preserving the undeveloped land itself, a shift in resources from outward growth to inward development offers opportunities to make use of existing infrastructure, to revitalize dilapidated neighborhoods, to provide equitable economic opportunity, to reduce reliance on automobiles and support public transportation, and to improve the living and working environments of urban communities.

Of course, neither properties nor neighborhoods decline overnight, and there are as many reasons for land abandonment as there are abandoned properties. The consequences of land abandonment are as wide-ranging as the causes. While many solutions have been tried in various cities throughout the US, their efficacy remains uneven as the problems in many areas persist or grow. In the following sections, we will describe commonly identified problems associated with vacant and abandoned land, causes of land abandonment, barriers to redevelopment of urban land, and innovative opportunities for redeveloping such land.

Consequences of Urban Vacant and Abandoned Land

Vacant and abandoned land in urban areas is not a problem unto itself. Rather, it is the impacts this underutilization of land creates that contribute to the vicious cycle. The extent to which the issue is prevalent can be measured in a number of ways. One of the more telling indicators is urban population decline: "... as development extends outward, existing infrastructure in central cities goes underutilized; since 1950, the metropolitan population of the U.S. has almost doubled, but the population density in its central cities has fallen by half."² More recently, despite growth in the US population over the last 20 years, "for every person taking up residence in a city, four others moved to the suburbs."³ Central cities in the Northeast saw populations decline 10 percent in the 1970s and remain flat during the 1980s. Boston is indicative of this trend: from 1960 to 1990, the Boston metropolitan area overall grew by over 19 percent, but the central city population within that area fell by close to 18 percent.⁴

As people leave urban areas and the existing infrastructure they provide, the utilization of the land declines. Vacant land can cover a significant amount of the urban landscape. A recent study has found on average, 15 percent of a city's land was deemed vacant.⁵ Boston has an estimated 8,300 vacant residential parcels, representing over 7 percent of the city's total parcel count.⁶ These statistics indicate the extent of the vacant land issue in many urban areas. Following are discussions of the effects of this phenomenon both for the urban areas themselves and also for their regions as a whole.

Effects

The effects of vacant properties on a neighborhood are manifold. First and foremost, vacant properties affect the quality of life. Land that is not cared for and misused alienates the local community, and creates safety threats that can be either obvious or hidden.⁷ Not only do decrepit buildings and trash-filled yards and lots look unattractive, they provide excellent breeding grounds for vermin and other stray animals. They also provide convenient venues for criminal activity, such as drug trafficking and gangs.⁸

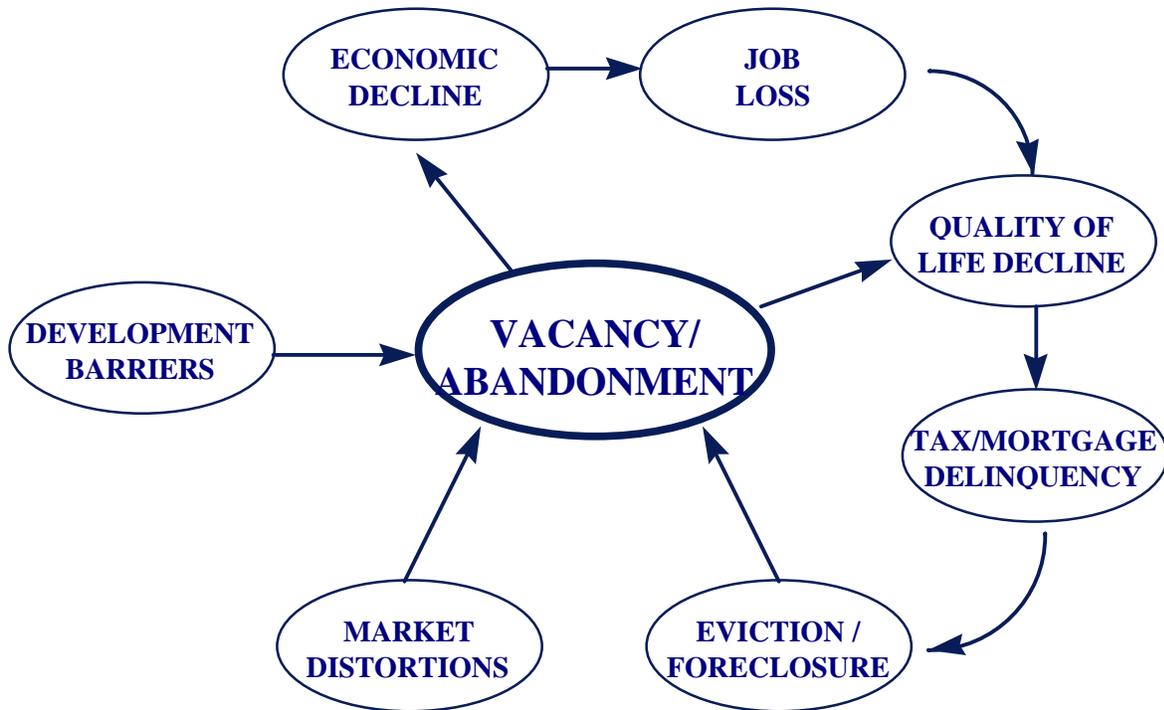
Abandoned buildings create other, less malignant but equally dangerous threats. Abandoned buildings attract the attention of neighborhood children, who may decide to use them as play areas, even though they are poorly maintained and may be unsafe. In

addition, the poor condition of most abandoned buildings makes them fire hazards.⁹ In older neighborhoods with minimal space between buildings, fires can easily spread from one building to another. A fire in an abandoned building may very likely result in the destruction of occupied buildings, displacing residents and increasing neighborhood blight.

In addition to the dangers associated with abandoned buildings, they blight surrounding areas and deter development. No developer or investor wants to build or start a business in an area filled with empty or garbage-filled lots and rundown buildings. If vacancy is a characteristic feature of a neighborhood, redevelopment will be difficult to start, let alone, sustain.¹⁰

All of these negative impacts of vacant properties contribute to an inevitable drop in property values. As real estate values in a neighborhood drop, property owners become less willing and less able to maintain their property. This is especially true for absentee owners who view their properties not as homes but as investments.¹¹ As a neighborhood declines, rents inevitably drop as the neighborhood becomes less desirable. Properties generate less income, which makes it more difficult for landlords to maintain buildings and still make a profit. In addition, as the value of the property declines, owners become reluctant to put more money into a souring investment. Buildings fall into greater disrepair, which in turn makes the neighborhood less desirable and drives down property values even more. When the value of the property falls to the point that it approaches the cost to maintain it, including its tax burden, the owner has more incentive to abandon the property than to try to sell it. As a result, owner-occupants and landlords default on mortgages and fail to make tax payments. Subsequent foreclosures create empty buildings, which stay empty because properties are not salable. This cycle is depicted graphically in Figure 1.

Figure 1: The Cycle of Decline



It is difficult, if not impossible, to disentangle these effects from the causes. Insofar as the system of effects is linked to abandonment as a positively reinforcing cycle, the effects themselves become causes.¹² Recognizing the complexity of this system is essential to characterizing it and, ultimately, to addressing it.

Indirectly, this cycle of abandonment leads to regional migration. Both employers and residents move out of the urban core—jobs follow people and people follow jobs—to more attractive, spacious and less problematic settings. From 1991 to 1993, a sample of 77 metropolitan regions showed that 97 percent of all new business establishments located in the suburbs.¹³ With businesses goes tax revenues and secondary economic activity generated by business and their employees. Those that remain in urban areas devoid of this economic activity are typically low-income and minority or immigrant populations that face declining municipal services funded from a smaller tax base, lower diversity of retail offerings and thus higher prices, fewer job opportunities, and a lower quality of life. The impact of this cycle is not limited to the urban areas that feel it most painfully and directly. “The distress and decline of high poverty areas does not confine itself to the central city, but gradually spreads out to affect suburban areas as well.”¹⁴

As suburban development expands, travel within urban areas becomes more difficult and lengthy, and residents rely more and more on passenger cars rather than public

transportation to navigate long distances to work, shop or use other services. Many people who have left urban areas commute suburb-to-suburb rather than into the city, furthering social and economic segregation and divorcing themselves from the problems of the city and city residents.¹⁵ Meanwhile, urban residents are often unable to access jobs, shopping, and recreation areas due to limited or absent regional public transportation. In time, rather than relieving congestion, sprawl creates more traffic congestion and pollution and consumes more land, all of which affects the entire metropolitan region.¹⁶

Regional migration has another, less diplomatic name: suburban sprawl. As people and businesses move out of the city into former farmlands or natural areas, the metropolitan area with its demands for and cost of highways, buildings, and other infrastructure expands.¹⁷ Often, absent a comprehensive regional plan, the expansion of the metropolitan area is ad hoc and uncoordinated such that resources are not used systematically and large swaths of previously undisturbed land are appropriated. The environmental impact of this expansion is manifold from the deterioration of watersheds and their ability to control flooding, assimilate increasing stormwater runoff, and provide clean drinking water, to the displacement of natural flora and fauna and the increasing use of chemicals for land management. All of this outward development occurs while there is conveniently-located urban land available for residential, commercial and industrial development.¹⁸ Urban land lies vacant and unproductive, a wasted resource left behind in the race to the suburbs. Although land may be relatively plentiful in many regions currently, even from a strictly geographic perspective (i.e., ignoring the social and environmental impacts), this pattern of use, abuse, and abandonment is clearly not sustainable in the long run.

Costs

Abandonment creates problems beyond the neighborhood in which it occurs. Every abandoned property represents lost tax revenue to the city. And the longer a property is tax delinquent, the less likely it is that the city will ever recover the unpaid taxes. Owners become harder to track down and, as the tax burden grows, they are less able to pay it. It is therefore in the best interest of a city to get properties into the hands of owners who will pay taxes, converting the property from a liability to an asset.¹⁹ However, to shift property to more fiscally responsible hands often means the city must acquire the land through foreclosure, then clean and maintain the property until it can be sold. Property acquisition, maintenance and conveyance entail significant costs to a municipality, costs that will only be partially recovered, if at all. The property foreclosure rate in many cities often exceeds the sales rate; i.e. the city acquires property faster than it can sell it. The result is that the city continually acquires more property—property that will not generate tax revenues—without either developing the property or returning previously seized property to private, tax-paying owners. Without redevelopment programs, the inventory of properties that cities must maintain continues to grow and the number of tax revenue-generating properties drops.²⁰

In some cities, the high cost of property acquisition and conveyance acts as a deterrent to complete the foreclosure process and take title to the foreclosed properties. This may result in large numbers of properties at some stage in the foreclosure process, but relatively few for which title is actually transferred. This “limbo” serves as yet another barrier to redevelopment. The somewhat lengthy process the City of Boston employs serves as an example of why this limbo occurs.

Acquired property also represents an indirect cost to the city from lost commercial and business activity and lost tax revenues. In addition, as residents move out of cities to fringe areas, the per capita cost of city services increases. There are fewer people, especially fewer working people, to pay for infrastructural improvements, such as water and wastewater treatment facilities, police and fire protection, and maintenance of public buildings, roads, and parks.²¹ Because vacant buildings attract criminal activity and represent fire hazards (whether intentionally set or accidental) police and fire protection needs often increase in neighborhoods with numerous vacant properties, representing yet another cost to the city.

Fewer city residents means fewer people using public transportation. Regional transit systems may see increased use from commuters who need to get in and out of the city every day, but local bus and subway routes will see less use. Fewer people taking the bus to work, the grocery store, and the dry cleaners, spells higher fares and more subsidies. In New York City, with arguably the most successful and heavily used public transit system in the country, the cost of a subway ride has increased from 10 percent of hourly minimum wage forty years ago to 40 percent of hourly minimum wage today.²² Even increased use of regional transit systems mean costs to cities and regions. The financial burden of constructing new lines and expanding old lines to serve new suburbs will most likely be borne by the entire region, not just by the communities served.

Causes of Urban Vacant and Abandoned Land

Financial Causes

As neighborhoods decline, inevitably, property values in the neighborhood decline as well. In some cases, property values fall so low and neighborhoods become so undesirable, that rental properties do not generate enough income for owners to properly maintain them and cover their costs, let alone make a profit, thereby contributing to the further degeneration of the neighborhood in a vicious cycle of decline. These properties, whether they are vacant lots, rental (income) properties, or single-family homes, become difficult or impossible to sell. Resident owners and landlords face two choices: walk away from properties that are no longer useful or profitable; or continue to pay taxes on properties they no longer want or use, or that no longer generate enough income to cover the taxes and other costs. Given these choices, it is not surprising to find large numbers of properties in distressed neighborhoods that are tax delinquent, have mortgage liens, utility liens, or other encumbrances.

A seemingly contrary financial cause is the effect of land speculation that artificially inflates property values. Declining property values are integral to the cycle of abandonment, but, at the same time, inflated values can have a similarly deleterious effect. Speculation is an inevitable element of a competitive free market and has been shown to contribute to land vacancy and abandonment.²³ Property owners, in some instances, acquire and/or hold on to property with the expectation that its future value will rise. This type of property speculation can lead to increases in the perceived value of a neighborhood that can raise property taxes, making the area less affordable for other residents.²⁴ As the area becomes less affordable, owners may find themselves caught in the cycle above. The other effect of speculation is that real estate investors who purchased property during a deceptively strong market abandon their property when they are unable to make mortgage and tax payments.²⁵ There is also evidence that property valuation practices often fail to adjust prices adequately in a declining market, thus sustaining inflated prices.²⁶ In addition, when a significant portion of vacant land is publicly owned, the market equilibrium price of land is likely to be skewed.

More generally, financial disinvestment hollows out the economy of the urban core and leaves it with insufficient economic activity to sustain itself. As primary commercial activity—such as big business and industry—leaves the urban area, secondary activity—support services such as restaurants and retail stores—leave as well. These second order effects continue the cycle of disinvestment that ultimately leads to abandonment. The neighborhoods trapped in this cycle become less desirable targets for investment by municipal governments, private businesses, banks, and individuals. Without investment to maintain infrastructure and promote economic development, vacancy and abandonment become more prevalent.

In some instances, it is landlords looking for quick profits that let properties become run down. By purchasing buildings with low down-payments and high mortgages and then saving money by providing no maintenance, landlords can profit at the expense of tenants. The property can then be sold to another profit-seeking investor who continues the cycle until the property is abandoned.²⁷ Some cities have inadvertently contributed to this problem in their efforts to ameliorate it. Demolition of abandoned buildings often simply replaces one problem with another. The City of Lawrence, MA found that “the negative community impacts of prior demolition activity...encompass the full range of social, economic, and visual/aesthetic losses that fuel unstable neighborhoods and exacerbate patterns of disinvestment.”²⁸ Thus, disinvestment can be both a cause and effect of vacant and abandoned land.

A critical financial factor contributing to the problem of vacant and abandoned urban land is the failure of the market to fully account for the costs associated with suburban development. That is, the costs of building additional roads and other infrastructure in the suburbs is generally subsidized by federal and/or state moneys.²⁹ For example, the Federal government reimburses state governments 80 percent for most highway construction. Similarly, some states reimburse communities more for building new

schools than for renovating existing schools. Such policies favor newer suburban communities at the expense of central cities.

Moreover, the ecological costs such as lost habitat, and the environmental costs such as increased air pollution associated with more car use and longer commuting distances, are not reflected in the cost of suburban development. These costs are referred to as social and environmental externalities because they are not borne internally by project or development beneficiaries, but by society as a whole. Thus, when making investment decisions, developers and other decision makers do not account for the social and environmental savings associated with investing in urban land with a concentrated population base, existing infrastructure, and easy public transportation access. The fact that the social costs of suburban sprawl (lower quality of life for urban residents including higher unemployment, higher crime rates, disenfranchisement) and the environmental costs (increased transportation-induced pollution, destruction of undisturbed land) are externalized contributes to a decision calculus that leads to abandonment.

Regulatory and Institutional Causes

In addition to financial drivers that lead to abandonment of urban property, there are regulatory and institutional drivers as well. Zoning restrictions in many cities are outdated and prevent land from being redeveloped in ways consistent with modern uses. For example, as urban economies shifted away from their earlier industrial focus, zoning regulations often failed to adapt.³⁰ In many cities, large tracts of industrial land sit vacant as a result, inhibiting the local economy from restructuring and revitalizing. The secondary effects, as discussed in previous sections, contribute to the cycle of residential abandonment. Zoning can also have an indirect impact by inhibiting mixed-use areas where people can both live and work, and by enabling the development of unsightly housing that breaks the rhythm and contextual character of existing neighborhoods.³¹

Another contributor to land abandonment in cities is the relatively higher tax rates urban residents and businesses face. Because cities often serve a larger metropolitan area, demands for services are greater than they are in suburban areas, rendering property taxes, sales taxes, and income taxes higher as a result. A study of infill housing found that perceptions of high city taxes may induce families to seek less expensive, suburban locations.³² As people and businesses leave cities for lower taxes in new suburbs and rural areas, the per capita tax burden in cities increases, exacerbating the problem.³³

One of the most notorious examples of this type of urban renewal process is the redevelopment of Boston's West End. In 1959 the city of Boston razed the 47-acre working class neighborhood that was home to a culturally diverse population of Italian, Polish, Jewish and Black residents. The effort displaced 7,000 residents, destroyed low-cost housing, businesses and jobs, to make room for luxury residential, commercial and retail development.³⁴

Vacant land in urban areas is not always the unintended result of financial drivers or city policies. The urban renewal policies of the 1950s, 60s and 70s aimed to improve the quality of the city environment. By condemning entire low-income, poorly-maintained neighborhoods, and relocating the residents away from the urban core, often in isolated, poorly-designed public housing, centrally located land was made available for redevelopment as high-end residential, commercial and retail property. This process of gentrification as a means of urban renewal was not always successful; some cities accomplished the razing of old structures but not the redevelopment, leaving large tracts of vacant land and displacing local residents to less desirable locations.³⁵

In addition to addressing regional traffic congestion problems, one of the benefits of the ongoing project in Boston to move the Central Artery highway underground is to reconnect parts of the city that were bisected decades earlier when the highway was built.

Road improvement projects have also created vacant land in urban areas.³⁶ Government entities often use the power of eminent domain to take land needed for construction of new roads. In some cases, the land taking and subsequent destruction of any buildings on the property precedes final approval of the road. For instance, in Memphis, Tennessee, the Federal government took over a once “desirable in-town neighborhood” in the 1960s for highway development. A community group successfully fought the highway development (based on its proximity to park land), but not before 200 housing units were destroyed.³⁷ A related effect of road development (itself an effect of suburban sprawl) is the dissection of neighborhoods that accompanies it.³⁸ Many cities, in an effort to manage ever-increasing volumes of commuter traffic, have situated roads that divided neighborhoods, cut off neighborhoods from each other, and limited residents’ access to waterfronts, downtown areas, and parks. These impacts reduce the attractiveness and viability of the affected neighborhoods and encourage the cycle of decline that leads to abandonment.

Historical Forces

Prior to World War II, city centers were the hubs of economic, and especially industrial, activity. Because transportation options were limited, most working people lived near their jobs, making urban areas desirable as residential as well as commercial locations. In the post-WWII era, as transportation options improved for both individuals and businesses—in great part due to the construction of the federally funded Interstate Highway System and similar state-funded projects—people and jobs moved away from city centers. Working class families took advantage of mortgage subsidies available to veterans under the GI Bill, and cheap land prices and lower taxes in fringe areas, to purchase single-family homes. Many families were able to achieve a piece of the “American dream”—home ownership—that had not been available to families at their economic level in previous generations. Businesses, encouraged by lower property costs, lower taxes, and less regulation, often followed their employees to the suburbs.³⁹ This trend continues today with more than 70 percent of new jobs created outside cities.⁴⁰

During the late 1960s and 1970s the US saw a shift in its economic base away from heavy manufacturing to technology and service-based industries. The manufacturing sector historically provided “living wage” jobs that required little, if any, post secondary education or training. People with few skills and basic education could support themselves and their families.

Technological advances eliminated some of these jobs and some were lost to foreign competition as Japanese and European industries recovered from World War II and developing countries built industrial bases. Technology and service based industries, such as the computer industry and the health care industry, replaced the lost jobs, but these industries provided fewer jobs, and the low-skill jobs they did provide did not pay as well as traditional manufacturing jobs.⁴¹

As these disparate social and economic forces came together, industrial facilities in the cities closed. People who did not or could not move with their jobs were left with few economic options. The downward spiral pattern described earlier—loss of economic activity, followed by decreasing desirability of urban neighborhoods, leading to declining property values, additional loss of economic activity and the decreased desirability of urban neighborhoods—in some neighborhoods continues to this day.

II. Barriers to Redevelopment

In hindsight, it is easy to identify a myriad of reasons for a neighborhood’s decline. It is more difficult to look at a distressed neighborhood and figure out how to revitalize it. “Neighborhood revitalization is a long-term, ongoing, slow, frustrating, expensive and difficult effort that requires the sustained commitment of many players. The overall cost and complexity of the needed physical, social and economic improvements are daunting”.⁴²

Understanding the reasons for decline is nevertheless instructive in assessing the barriers to neighborhood redevelopment. There is a strong linkage between the elements discussed in the last section that cause urban land to become vacant or abandoned and the elements that inhibit its redevelopment. In many instances, the cause is the barrier, or the cause leads directly to it.

Financial Barriers

Despite the low property values in many distressed urban neighborhoods, the cost of these properties, which are sometimes small and oddly shaped, is often higher than the cost of equivalently-sized properties outside the urban core.⁴³ In addition, virgin properties in fringe areas are free of many of the problems that plague even formerly residential, vacant urban properties: the existence of structures that must be torn down before the land can be redeveloped; potential environmental contamination from lead

paint, asbestos or other toxic substances; encumbrances (property taxes, utility liens, mortgage liens, demolition liens, etc.).

Each of these problems has an associated cost that enters the calculus of development decisions, often creating a disincentive for urban investment. Even when the cost of the land itself is relatively low, urban properties can rarely compete with properties outside the city that do not carry the burden of these additional costs. When the cost of the land and associated costs are perceived to be high, the benefits of existing infrastructure might not be sufficient to overcome these costs.⁴⁴ Most of the cost of developing these lands (and of not developing urban property) are external to the economic transaction of the developer and are ultimately borne by the public. Government policies have shifted economic, social, and environmental costs of sprawl from developers to society, thereby shifting opportunities from existing cities to suburbs.⁴⁵ Other aspects of imperfect markets discussed in the previous section also act as barriers to redevelopment.⁴⁶ For would-be private and public developers alike, it is unclear that the costs of development in urban areas will be recovered.

Closely related to disinvestment in the urban economy are lending practices that make it difficult to obtain funding for urban redevelopment. The effects of redlining, systematically practiced for years by the banking community, are well documented. The Community Reinvestment Act was enacted by Congress in 1977 to reverse the effects of redlining, but some aspects of the practice and its effects continue. Similarly, insurance companies and other financial service providers are not bound by the Act and in some cases create a barrier to redevelopment by their reluctance to support urban projects. In particular, conservative lending practices make financial institutions reluctant to support mixed-use projects and mortgage providers have been slow to expand their scope from residential to mixed-use.⁴⁷

Regulatory and Institutional Barriers

The financial barriers mentioned above impact the economics of decision-making that inhibits redevelopment of urban vacant and abandoned lands. There are other barriers that become factors in decisions that serve to tip the scale even further away from redevelopment of this land.

Well-intended but misguided or poorly implemented regulations often impede redevelopment. There is irony in the fact that government often devotes resources to encourage redevelopment but is often stymied by its own laws and procedures. Zoning regulations can be a significant barrier to redevelopment. For example, zoning regulations that keep commercial areas separated from residential areas and that encourage large sidewalks and parking lots and wide streets render compact development impossible (Cole, 1996). Community-centered, mixed-use redevelopment runs counter to many outdated zoning practices, practices that were designed for a different era and economy (Kivell, 1993). For example, there are cases where inflexible zoning practices

have inhibited the development of low-income housing despite a recognized need for such development (Sarazen, 1995). Some redevelopment is similarly inhibited by onerous requirements relating to parking, drainage, landscaping, and infrastructure improvement requirements.⁴⁸

“City governments...tend to view vacant land only as a revenue-generating commodity. Because this perspective obscures land’s value as a community resource, city officials lose sight of their responsibility to manage land in ways that promote public values.”⁴⁹

Systems, rules, and procedures established as part of government bureaucracy can also act as barriers to redevelopment. Redevelopment of vacant and abandoned land often requires interaction with many different municipal departments and agencies. This fact alone makes associated transaction costs high, but the lack of consistency and poor communication among different parts of the government can complicate the process. Comprehensive neighborhood planning, a cornerstone of successful redevelopment processes, is often stymied by conflicting agendas or incompatible functions of municipal agencies.⁵⁰ Processes to settle title difficulties and to secure permits are often quite onerous and can delay, if not terminate, the redevelopment process.⁵¹ In addition, cities’ lack of systems to track vacant lots and to ensure appropriate redevelopment upon sale exacerbates the problem. More generally, political inertia, ad hoc approaches to planning and development policy, and fragmentation of resources all act as procedural barriers to redeveloping vacant and abandoned properties (Schuman, 1994). As a result, some urban community-based organizations have reported that land acquisition for redevelopment can take up to five years.⁵²

Physical Barriers

Physical characteristics of particular sites create supply-side obstacles to redevelopment. The relatively small size and sometimes awkward shape of urban parcels can render them less conducive to development, especially in comparison to their suburban counterparts. Similarly, environmental constraints such as steep slopes, streams, wetland areas are less common but possible barriers faced by developers.⁵³ Although most cities have many acres of unused land available for redevelopment, the properties are often scattered. Assembling individual parcels into larger, contiguous tracts is not always possible because of existing intervening land uses. In comparison, suburban developments often involve large tracts of land that are developed all at once, thereby permitting more development flexibility and economizing on certain costs.⁵⁴

“Boston has an excellent transit system, with stations within a half-mile of 99 percent of the city’s welfare recipients. Still, it does not provide needed connections to available jobs: only 43 percent of employers are also within a half-mile of transit lines. Only 40 percent of employers in high-growth areas can be reached after a public transit commute of less than two hours.”⁵⁵

Another physical concern that can negatively impact redevelopment is relatively poor infrastructure. While one of the inherent advantages of urban development is the fact that infrastructure is already in place; in older urban areas, aging water and sewer systems, poorly maintained sidewalks and roads, and outmoded telecommunications capacity may put cities at a relative disadvantage.⁵⁶ Often, as a result of vacancy and abandonment, infrastructure suffers from neglect and disinvestment as the cost of public service relative to neighborhood income rises.⁵⁷ In contrast to economically healthy and well-maintained urban areas, neighborhoods with significant vacancy and abandonment problems also tend to be underserved in terms of transportation access—another element that should be a relative advantage for an urban area—inhibiting access to employment or job training opportunities, thus undermining the social infrastructure as well.

Individuals' Barriers

Another set of barriers that is difficult to measure or characterize but is nonetheless real and significant is that which relates to personal or individual matters. Foremost is perception. The consequences of vacant and abandoned land discussed earlier impact people's perception about a neighborhood and consequently its viability for redevelopment. Investors and lenders and municipal agencies and developers assign implicit risk factors to distressed neighborhoods.⁵⁸ These factors are fed by perceptions of high crime rates, poor schools, weak infrastructure, space constraints, and general unattractiveness of the neighborhood. Whether justifiable or not, these perceptions often stand in the way of redevelopment.⁵⁹

A related barrier is tied directly to property owners. For various reasons, owners may create obstacles by an unwillingness or an inability to allow redevelopment. For private owners, there may be reluctance to sell a property that will represent a financial loss or that could possibly increase in value in the future.⁶⁰ This latter reluctance ties closely to property speculation that can be the cause of vacancy in the first place. In addition, there may be little incentive to sell because the cost of carrying the property as is, is low. For public owners, the issues are similar. Municipalities are often reluctant to sell property for less than its historical cost; i.e., such that it will represent a loss. They are also often reluctant to pay for the clean up and maintenance and legal proceedings necessary to make the property available and attractive to developers. Fragmented or multiple ownership also acts as a redevelopment barrier.⁶¹

Finally, neighborhood opposition to specific redevelopment projects can lead to their ultimate demise. Often a project's appearance or scale or potential impact on traffic, crowding, or loss of open space become the target of protest from community and environmental groups. Typically, these projects have been designed without sufficient community input and therefore are not reflective of the community's needs.

Despite the foregoing and seemingly daunting list of barriers to the development of vacant and abandoned urban land, there are many examples of redevelopment efforts that

have succeeded. Understanding what the barriers are is a critical step in designing solutions that directly confront and eliminate the obstacles. The following section explores several exemplary tools and techniques—regulatory, financial and institutional—to foster urban vacant land redevelopment.

III. Best Practices: Exemplary Vacant Land Redevelopment Approaches

Although difficulties surrounding urban vacant land manifest themselves gradually, during the last several decades many cities have both been aware of the problem and have aggressively pursued policies to ameliorate it. Other involved non-governmental groups, such as community development organizations, have grown substantially in number and in scope during the 1980s and 90s. With the benefit of this experience it is appropriate to examine cases where such efforts have notably addressed obstacles facing urban vacant land rehabilitation, and to identify elements of their approach that might be successfully replicated in other cities and regions.

Portland, Oregon Metropolitan Region

With the passage of statewide planning legislation in 1973, the Portland region first became visible as an example in regional governance and urban planning. A regional government (the Metropolitan Service District) was established in 1979, and was gradually given jurisdiction for zoos and parks, transportation, solid waste, regional civic facilities, and open space management. Renamed “Metro” in connection with a voter-approved charter in 1992, the authority became led by an elected regional council beginning in 1995. The mandate of the council now lies primarily in regional development and transportation planning—or as stated in Metro’s Charter, to “undertake, as its most important service, planning and policy making to preserve and enhance the quality of life and the environment for ourselves and future generations.”⁶²

The most widely examined and controversial element of the area’s regional planning is the requirement for an “Urban Growth Boundary”(UGB) restricting development outside of the metropolitan core. The cities within Metro accomplish this by refusing to build roads and provide other municipal services to unapproved areas. Metro established this boundary in 1979, which has since been revised approximately three dozen times to include 5,000 additional acres (most of which occurred with a general expansion of 3,527 acres in 1998). By the year 2000 it covered 369 square miles (about 236,000 acres), including 24 cities, portions of three counties, and approximately 1.3 million inhabitants. The effects of the UGB have been the topic of extensive debate, with many praising the policy for limiting sprawl while others vilify it for raising the cost of housing within the City. These arguments can be placed in context when it is noted that land development has continued outside the UGB at approximately the same rate as occurred before the legislation, and that while housing costs have risen, they are similar to other metropolitan areas in the Pacific Northwest and can be explained by conventional factors.⁶³ Note that it

is unclear what the rate of land development would have been outside the UGB in the absence of the boundary.

One area in which the policy may have had particular effect is vacant land redevelopment. Data on Portland's spatial growth shows that the UGB adopted in 1979 contained 85,000 acres of vacant land. In 1998, before the general expansion of the boundary, only 46,000 acres were vacant. Over this 20-year period, therefore, vacant land has been developed at the rate of approximately 1,930 acres per year.⁶⁴ In 1998, 29 percent of all residential development inside the UGB came from infill and redevelopment.⁶⁵ Other policies also contributed to this outcome, including tax abatements for infill housing in distressed areas of the City, and so the significance of the UGB is not precisely known. However, the policy firmly illustrates a governmental commitment to redevelopment within the core City as opposed to development of previously undeveloped lands on the periphery, and sends an unmistakable signal to private developers. And while the review and expansion of the UGB ensures that it alone will not necessarily force greater densities, it was the first step toward Metro's authority to constrain local governments to raise zoning densities—a policy which is certain to have much more direct and measurable effects.

Clearly, establishment of growth boundaries is a policy with implications far beyond vacant land management, and the rapid growth of Portland does not correspond with the urban population trends in many Eastern and Midwestern cities addressing vacant land as a problem issue. Though the impressive record of twenty years has not yielded completely transparent or transferable results, Portland's innovative approach of progressive regional planning and governance seems to deserve the attention it has received and should be considered closely in the context of vacant land redevelopment strategies.

Pittsburgh and Harrisburg, Pennsylvania

Another policy that encourages development of privately owned land is a tax system that collects a higher proportion from land values than from the value of improvements (i.e. buildings). This type of graded (or two-tier) tax plan was adopted by fifteen cities within Pennsylvania, the largest being Pittsburgh and Scranton. In theory, by dropping the relative tax penalty for land development, owners are less likely to view selling-price appreciation as their primary asset, and unproductive speculation is reduced. The most positive results of this approach have occurred in Harrisburg, PA, which between 1982 and 1998 reduced vacant plots by 88 percent (from over 4200 to under 500), and increased total real estate value more than fourfold.⁶⁶

Pittsburgh, the only major American city to use this taxation method, has been more extensively studied. Pittsburgh has had a graded property tax system since 1913, a system under which land was taxed at a rate twice that of the structures on the land until 1979. The City introduced a striking restructuring of the City's property tax in 1979 and 1980,

raising the tax rate on land while leaving the rate on structures unchanged, thus raising the tax rate on land to about five times the rate on structures. This emphasis on the land element has been maintained or increased since the initial restructuring. Special districts, the county, and the overlying school district use a conventional property tax, so that when accounting for all jurisdictions, the complete tax rates within Pittsburgh are roughly twice as high on land as on improvements.⁶⁷

A study conducted by two academic economists (Oates and Schwab, 1995) closely examined the connection between the downtown urban renewal of the last two decades, and the graded tax plan, in comparison with other Midwestern cities.⁶⁸ They found that other factors were more directly responsible for increased building; the City had instituted a generous three-year tax abatement on the additional value from new construction, for example, and secured commitments from several large corporations to headquarter in the City, before the tax revision was made. The authors argued that by its nature the land value tax does not distort economic choices and is therefore neutral. However, they concluded that this very characteristic was key in Pittsburgh's development, as the City was under heavy fiscal pressure and had to raise its revenue by some means. Had it resorted to another method of taxation, the new boom economy would have been negatively impacted. The increased rates on land provided the additional revenue for tax abatement on improvements as well as for other City programs. According to this perspective, the tax scheme has been a success. This success, however, was on a wider economic basis rather than as a policy directed narrowly to vacant or underdeveloped land within the City.⁶⁹ Because of the far-ranging consequences of tax reform, the use of tax policy as a mechanism to encourage vacant urban land redevelopment should carefully consider the possible, unintended consequences of altering relative taxation.⁷⁰

Providence, Rhode Island

The City of Providence, Rhode Island has addressed the problem of vacant land directly, and with notable determination. In February 1996, the Mayor of Providence appointed an inter-agency Vacant Land Task Force to both identify vacant lots and their owners, and to develop a plan and recommendations to coordinate City agencies, enforcement, and possible land uses.⁷¹ They found over 4,000 residential vacant lots—more than half of which were unmaintained, and which were found to present imminent health and safety hazards to the public. Upon the completion of the Task Force Report, the City legislated a series of reforms in 1997 aimed particularly at problems encountered with vacant land.

Providence's reforms fall into two general categories: one set targeted toward City government itself, to coordinate the information and procedures of agencies which dealt with vacant land, and to better maintain the parcels over which it had control. The second set improved enforcement of owner maintenance and anti-dumping statutes. These enforcement measures reflect the City's premise that unmaintained vacant land negatively impacts both the property value and the quality of life in the surrounding

neighborhoods, and that proper maintenance is an immediate priority. This approach contradicts the common municipal practice of attending primarily to properties that will immediately return revenue to the City. Officials in Providence saw maintenance as something that both had value in itself, and which would encourage redevelopment in the future.

City coordination involved establishing a geographic information system to contain and update information on vacant parcels. The City budgeted for routine maintenance of vacant plots owned by the redevelopment agency, and established an environmental clean-up fund both to remediate sites and for public education measures. The fund also benefits from the fines and liens collected from vacant land owners under the reformed enforcement process.

The most innovative features of the program dealt with enforcement. In 1996, Providence established the first environmental court in the nation, to expedite prosecution of cases such as the dumping that commonly occurs on vacant land. In its first year and a half, the court issued 12,000 violations, called 4,000 cases to court, and held 600 trials. Ninety-one of the cases tried ended in conviction. A law passed in 1997 allows the judge to default any violator who fails to appear in court; resultant fines are submitted to a collection agency.⁷² The City has also issued immediate arrest warrants for cases of illegal dumping. With this tough policy, the City clearly communicates that it will no longer tolerate illegal dumping and similar violations, which often went unenforced in the past.

Another innovative enforcement policy is the “Clean and Lien” program, designed to enforce owner maintenance of vacant parcels. Residents are encouraged to report unmaintained plots to the City, which then issues a citation to the owner to clean the property. If the owner fails to do so within three days, the Department of Public Works contracts (in some cases, with community development organizations) for the cleaning, charging the cost as a lien on the property. Since liens are generally given lower priority than back taxes and other encumbrances, an ordinance was passed in 1997 to raise the priority of this lien and therefore more easily recoup the costs of the program. During the summer of 1997, 592 citations were issued; 245 owners responded and the remainder went through the process described above. Some owners chose to donate their lots to the City rather than maintain them.

The Providence Redevelopment Authority has also found a measure of success with its “\$1/Lot Program,” which facilitates the purchase of vacant land by neighborhood residents or non-profits, who apply for the purchase and describe its proposed use. With the approval of the City Council, back taxes are abated for the property.⁷³

New Kensington Community Development Corporation, Philadelphia, Pennsylvania

The work of the Pennsylvania Horticultural Society and the City Planning Commission of Philadelphia has outlined a comprehensive and coordinated approach to the management

of vacant lands, and has also created several successful projects in conjunction with local community development corporations.

Research on the issue is supported extensively by the Pennsylvania Horticultural Society, which in 1995 published its report *Vacant Land: Issues and Recommendations*. The tenor established by the report was communicated in the following stated assumptions:

1. The City must deal with vacant lots in a comprehensive manner by cleaning, maintaining, and acquiring all vacant lots. In addition, the City's responsibility to ensure the public health, safety, and welfare means that it already "owns" the problems of every vacant lot in the City. Addressing these problems effectively will require actual ownership of the underlying land as well.
2. The process by which the City acquires vacant lots and disperses them to private owners is so complex and fragmented as to hinder development; to be effective, the process needs to be simplified.
3. Since the City does not have enough money to redevelop all lots, the private market must be allowed to acquire and reuse land whenever possible, while City resources are saved for strategic interventions.
4. Just as unmanaged vacant land lowers property values and tax receipts, cleaning and maintaining the land will stabilize and raise property values and, therefore, tax receipts.⁷⁴

The report also recommended coordination of the then 15 municipal agencies involved in various aspects of vacant land management, and a set of policies to encourage stewardship of vacant land by its owners. For cases where vacant parcels are left unmaintained, the report suggested quick transfer of these lands to owners who would maintain them.

Upon its publication, the 1995 PHS vacant land management report was noticed by the New Kensington Community Development Corporation (NKCDC), which was in the process of a large community initiative. The two organizations began a partnership to address vacant land in the New Kensington neighborhood of Philadelphia, which focused on either basic maintenance (clearing the plot of garbage, leveling and seeding with grass), more extensive community garden use, or disposing the plots as garden sidelots to adjacent owners. Approximately 1100 vacant parcels existed when the programs began. By the end of 1999, 370 received basic maintenance (called "cleaning and greening"), 62 became community garden plots, and 108 parcels were transferred as sidelots. Therefore the community had brought 49 percent of vacant land under proper management within the space of three years. In addition, NKCDC established an extensive garden center complete with a plant nursery, tool bank, free mulch and compost, and educational programs to get residents started on their own yards. In the past, NKCDC's housing and property activities had focused exclusively on renovation of neglected buildings.

However, after gaining the new capacity to effectively manage vacant land, it recognized that its options for vacant building demolition and new development were enhanced.⁷⁵

Dudley Street Neighborhood Initiative, Boston, Massachusetts

The Dudley Street Neighborhood Initiative (DSNI) in Boston's Roxbury neighborhood is a coalition of residents, business owners, religious groups, and social service agencies that formed in 1984. With funding from a charitable foundation, the group hired a set of consultants and assembled a comprehensive neighborhood plan in 1987, incorporating eight months of intensive community input. This plan was eventually adopted by the City of Boston as the official redevelopment plan for the area. This was an important step in asserting local control over land use and redevelopment in the neighborhood, and is evidence of the broad community support for the plan.

The DSNI plan concentrated on the center of the neighborhood, known as the "Dudley Triangle." Within this area were 30 acres of vacant land, half government-owned and half private. Of the private parcels, nearly 60 percent were in petition for foreclosure or otherwise encumbered with back taxes and liens, and most of the private owners—over 70 percent—did not live in the area or could not be located. The City-owned lands were scattered throughout the area, and so attempts to assemble land for redevelopment would require the privately held land as well. Realizing that efforts to obtain each parcel through the foreclosure process would take decades, DSNI hoped to influence the City in its use of eminent domain. However, DSNI's legal counsel found that the Massachusetts state statutes allowed a redevelopment corporation to exercise eminent domain itself, if the project conformed to the chapter on blighted land, and if authorized by the Boston Redevelopment Authority (BRA), Public Facilities Department (PFD) and the Mayor. This statute had never been applied to such a case as existed in the Dudley neighborhood, and no similar precedent existed in the rest of the country.

DSNI not only needed to convince public officials to grant them eminent domain power, but also had to gain support from within the community. Many residents and other interested parties resented the City's use of eminent domain in the redevelopment of other sections of the City in the 1960s and 1970s. Most notable in this regard was the City's use of eminent domain in the destruction of the West End neighborhood and the relocation of its residents. However, for the same reason, it was clear that the City would not be able to use this instrument for such a large project as DSNI proposed, and that only with broad community support would the process be politically feasible within the city at large. The director of the BRA gave strong early encouragement; and despite doubts and controversy within the city, the PFD and the Mayor also supported the measure. The ease of the proposal was startling for such a controversial transfer of authority.⁷⁶ In 1988 DSNI established the requisite corporation to exercise eminent domain, titled Dudley Neighbors Incorporated (DNI). In mid-1990 DNI began filing "notices of intent" to acquire property with the Massachusetts Superior Court. The affected owners were told they would receive fair market value. Though challenged, DNI's eminent domain power

was affirmed by a summary judgment by the court in late 1991, and challenges to the process were reviewed by a panel appointed by the court in 1993.

Interestingly, the power of eminent domain was never fully exercised with DNI “taking” land. Rather, it was powerful tool in leveraging local land owners, who eventually all agreed to sell their properties, albeit at slightly higher than the appraised price. With a two million dollar grant from the Ford Foundation, DNI was able to buy 15 acres of privately owned property, with another 15 acres acquired at low cost from the City.

With these holdings, DNI created a land trust supported by long-term ground leases: residents own homes built on the vacant land and pay the trust a fee for use of the land. By 1996, the land trust had constructed 225 single-family, duplex, and row house units, and renovated over three hundred existing houses. By 2000, of the 1,300 vacant plots within the community, some 500-600 have been converted to other uses, whether for housing, urban gardens, or playgrounds.⁷⁷

DNI’s success in obtaining eminent domain was very obviously facilitated by a variety of circumstances that would be difficult to find elsewhere. The mixed public/private assemblage of land, the low property values, high encumbrances, and lack of institutional owners all combined in a way that lessened opposition to the transfer of eminent domain powers. In addition, there was the success of DSNI in convincing the City of its community legitimacy. Therefore the case of DNI may be instructive without being replicable; it illustrates that inventive, local solutions to such problems can be found with careful thinking and concerted support.

IV. Lessons Learned

The approaches to urban vacant land redevelopment presented here fall into two categories: one addresses vacant land through broad policy approaches such as regional governance and land-use planning and financial incentives, while the second approaches the issue directly through programs targeted to address specific place-based barriers to redevelopment. The case can be made that neither approach alone will conclusively resolve the issue of urban vacant land; it must be dealt with both root and branch. As long as the trend of population decline and disinvestment continues to affect certain central cities, comprehensive maintenance and redevelopment policies will likely remain inadequate. At the same time, strong overall market incentives for urban development may not overcome the specific barriers to vacant land redevelopment without a targeted policy to address these obstacles.

In the cases of urban growth boundaries and graded, land-value taxation, cities have taken steps to effectively alter the market climate city-wide in favor of more intensive development. These approaches can be less costly than acquiring and unencumbering specific properties, but may be more controversial as they substantially affect the value of land and property under private ownership.

The example of Portland is foremost an argument for regional governance. Urban disinvestment and decline is inextricably linked to suburban growth, and any jurisdiction which would effectively address the problem must include both. A metropolitan area composed of numerous municipalities and devoid of regional authority will naturally see competition between such units as well as occasional cooperation—and this competition is likely to waste resources and ultimately prove a detriment to the larger community. Just as transportation and solid waste disposal are regional issues for metropolitan areas, so too are the demographic, economic and land-use patterns which underlie urban vacancy. Effectual solutions must match the scope of the problem at hand.

As the geographic scope of governance in the Portland region grew wider, so too did the temporal scope. Planning horizons of 20, and now 50 years were introduced. The pattern of urban decline has generally been one occurring over decades, and so coordinated planning to avert similar outcomes, may well benefit from explicitly heightened attempts at foresight.

When vacant land is considered a liability under the established economy, it is no wonder that those concerned—owners, developers, community groups, and local governments—often avoid or abrogate the responsibility to reinvest necessary resources—be it labor or capital—to rehabilitate these parcels. It is necessary for one of these concerned parties to instigate action and lead the other involved groups to readdress the issue. In the case of Providence, the City itself took the lead; in the Roxbury neighborhood of Boston, it was the neighborhood organization. Both cases resulted in a new and fairly innovative division of authority and responsibility. In Providence, the City took responsibility for the externalities of vacant land, forced owners to fulfill their maintenance obligations, and left redevelopment to the private sector. In Roxbury, the neighborhood organization assumed maintenance responsibility and has played a lead role in planning and implementing redevelopment.

In each of the cases, city government gave clear signals to developers that it would promote redevelopment and ease the way for properties to reenter the land market. While policies may themselves send this signal, the most reliable indication a city can send that it means business, is the speed and consistency with which it carries out these policies, particularly with enforcement, foreclosure, and property disposition. This requires the dedication of resources from a variety of governmental areas, ranging from enforcement personnel to financing, to foreclosure and judicial priority. The cases cited here indicate that a key element in achieving speed and consistency is coordination among numerous local government agencies. In some cases this will require significant restructuring within the bureaucracy to unite functions, which in the past operated distinctly from one another.

Another issue touched upon in the cases presented here, is the importance of public/private partnerships and the significance of Community Development Corporations (CDCs) and other neighborhood entities in guiding local land use planning and decision-making. By their nature, the approaches employed and the accomplishments of CDCs and

other community-based organizations are site-specific and, unlike the broader policy approaches described above, may not be easily replicated. At the same time, the need to involve community organizations in the planning and redevelopment process is itself a replicable policy that deserves attention. Many cities with an explicit vacant land policy—Providence, Philadelphia, Cleveland, and Boston among them—have also explicitly apportioned aspects of the planning and redevelopment process to CDCs. This is not only because they are more decentralized and benefit from non-public funding, but as the case of DSNI makes clear, CDCs may enjoy a level of trust city governments may have, for whatever reason, forfeited. Through successful partnerships, both entities gain legitimacy. The potential of CDCs and other community organizations' in vacant land redevelopment should be considered in the context of their past contributions, which can be measured by the large and growing numbers of affordable housing units and, more recently, commercial development they have sponsored.

Several additional lessons emerge from the wider literature on urban vacant land redevelopment. First, the importance of the link between urban decline and suburban sprawl cannot be overstated. The two are directly and inextricably related; they share the same causes and, therefore, likely many of the same solutions. Vacant and abandoned lots in the urban core are thus a regional issue and demand a comprehensive regional approach. Government officials and policy makers need to understand the root causes of urban vacant and underutilized land in order to develop effective, systemic approaches to ameliorating the conditions it causes.

Second, urban vacant land problems are not solely related to land use or real estate concerns. Rather, they should be viewed and addressed in the context of an interrelated social, political, and economic context. To be successful, redevelopment policies and programs must recognize and be consistent with this milieu.

Third, the public sector can play a pivotal role in addressing the urban vacant land issue: by eliminating policy and regulatory barriers to redevelopment; by adequately maintaining publicly owned properties and facilities in distressed neighborhoods; by ensuring adequate police, fire and other municipal services; and perhaps most importantly, by creating an atmosphere that encourages the private sector and private-public partnerships to reinvest in the inner city.

Fourth, local resident participation (through community development corporations and other neighborhood organizations) in open processes aimed at devising and implementing redevelopment plans and programs is critical. Without such involvement, planning and redevelopment efforts are unlikely to be consistent with local visions of the neighborhood, and therefore unlikely to receive citizen support.

At the same time, it is important to recognize that, to some degree, vacant land is a transitional phase or flow within the urban development process. It can be viewed as a transient feature of the urban environment brought about by economic and social changes

stimulating adjustments in land use patterns. A certain level of vacancy is the result of the urban development process itself and is a requirement of an efficient land market.

In terms of the public sector role, cities need to identify and use (preferably by leveraging) the full range of available federal, state, and local government financial resources to address vacant land problems. In addition, cities can and should use non-monetary resources to help neighborhood revitalization, including: political leadership; the power to regulate (and expedite) development; creation of land banks and land trusts; provision of expertise and information; and the ability to develop and maintain public facilities and to provide supportive community and social services. Some low-cost public efforts such as code enforcement, coupled with community loan programs, home improvement programs, tax abatements on repairs and demolition of hazardous structures, can have a dramatic effect on local neighborhoods.

Moreover, a city's land acquisition strategy should include use of the city's condemnation power, directly or through a community-based public/private partnership. This power is essential to assemble land for linchpin development projects, to acquire derelict properties for redevelopment, and to prevent speculator abuse of the revitalization process. Through use of its zoning power, the city can direct, encourage, or prohibit certain types of development in designated areas.⁷⁸

In addition to active and effective government involvement, significant progress in neighborhood revitalization and housing development requires a steady, predictable flow of private financial resources. In addition to financial resources, the private business sector can offer jobs, job training and internships, mentor programs, etc.⁷⁹

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