



Issue Brief: Vacant Property Strategy



December, 2018

Overview

Vacant properties, whether empty or with residential, commercial, industrial or mixed-use buildings, create challenges for their communities. They can attract crime, create unsafe conditions and lower the value of surrounding properties. The presence of vacant lots in a community has also been correlated to negative impacts on mental health.

The foreclosure crisis in the aftermath of the Great Recession precipitated an increase in the number of abandoned properties in some communities, increasing overall vacant housing stock significantly.¹ Some of these structures can be remediated and remain livable, others are beyond repair and eventually are demolished, leading to vacant lots.

The community development industry has long prioritized addressing “vacants” as part of neighborhood revitalization strategies, and LISC has been a central player in vacant property remediation since the inception of this work. As a result, LISC has extensive experience launching and implementing strategies to identify existing vacant buildings and lots, facilitate their remediation, and prevent other properties from becoming vacant or abandoned in the first place. As part of this brief, we’ve included snapshots of a variety of models, both from LISC and our partners, as well as resources around remediation from practitioners in the field.

Mission Alignment

Over the next three years, LISC aims to invest over \$3 billion to catalyze opportunity for people and places across America. LISC's 3-year strategic plan identifies the need to transform places experiencing distress and underinvestment.

LISC solutions to achieve this goal include successful implementation of affordable housing preservation & construction strategies, including vacant building rehabilitation, in an effort to create more affordable units, while vacant lot initiatives can include successful implementation of business district, creative placemaking, and transit-oriented development strategies.

¹ http://www.communityblightsolutions.com/files/CBS_White_Paper_2017.pdf

Key issues and talking points

For the purposes of this brief we will define “vacants” as vacant lots and one-to-four family houses that are not occupied for any reason, including the owner’s abandonment or death.² These properties often have deteriorated to the point where they cannot be reused without significant repairs or rehabilitation. Strategies for reusing residential vacant buildings and neighborhood lots can take many forms depending on the goals for the revitalized space. LISC has experience implementing safety-promoting, creative placemaking, green, and recreation strategies to transform vacant lots. When possible, we’ve also advanced rehabilitation strategies to maintain properties as housing. You can find strategies to address both lots and property rehabilitation below.

Vacant-lot strategies

Vacant lot strategies often involve more of a parcel-by-parcel approach and don’t require as many resources as a comprehensive, city-wide remediation strategy. These lot-based strategies vary depending on the use envisioned for the lot and a community’s goals in addressing the vacant space:

- **Crime-reduction** – Vacant properties can have detrimental effects on communities and their residents because they are vandalized, attract crime and decrease property values. For this reason, LISC works with many communities to develop strategies to improve their vacant residential property stock. These properties are usually poorly maintained and suffer from declining physical conditions such as dilapidated structures, overgrown vegetation and litter. As a result, these homes and lots frequently become “hot-spots”, small geographic areas that have high concentrations of crime.³ Bringing together community stakeholders, local partners, police departments and other law enforcement agencies, LISC has organized efforts that transition these hot spots into areas that impact the community in a positive way including Crime Prevention through Environmental Design (CPTED) strategies. CPTED, which can be utilized by community and law enforcement partnerships, emphasizes the tactical use of the physical environment to deter criminal activity, including increasing street lighting on dark alleyways, replacing graffiti with mural and replacing blighted properties with new community assets. Resources below.
- **Creative placemaking** – In creative placemaking, partners from public, private, non-profit, and community sectors strategically shape the physical and social character of a neighborhood, town, city, or region around arts and cultural activities.⁴ This method can be applied to vacant lots and vacant buildings⁵.
- **Green strategies** - Vacant lots can also be transformed into community gardens, which can improve health outcomes for residents by facilitating healthy eating in communities, and reducing the stress and feelings of depression associated with vacant lots.

² This is LISC’s working definition for purposes of the NY State Zombie program. Other sites may define “vacant” differently.

³ <https://www.citylab.com/environment/2018/07/the-healing-potential-of-turning-vacant-lots-green/566066/>

⁴ Source: <https://metrisarts.com/creative-placemaking/>

⁵ Source: https://www.syracuse.com/living/index.ssf/2017/09/one_last_chance_to_paint_for_the_vacant_mural_project_in_syracuse.html

- **Recreation strategies** - LISC has begun an initiative through its ESPN relationship of refurbishing and transforming vacant lots into safe spaces where children, youth and families can engage in safe recreation, exercise and play and come together. Through partnerships with local community groups, LISC and ESPN contribute to infrastructure building that will maintain and sustain these sites over the long term.

Property remediation strategies

As a first step, practitioners should determine the nature and scope of the vacants problem. These efforts usually include inventorying the vacant property stock, using code enforcement tools to clear the titles, and developing a strategy around property rebuild and/or rehabilitation.

In these efforts, technology and advanced modeling exercises can play a key role, especially during the inventorying process.

- **Inventorying/windshield surveys** – [Windshield surveys](#) are block by block inventorying of what appears to be vacant and also the level of distress for each structure. For a municipality with many vacants, the windshield survey may be a good first step.
- **Research** – Much of the information required to help confirm the number of vacants is accessible to municipal governments and can be difficult to access for the general public or CDCs. With that said, some municipalities share more data with the public than others, so an analysis of the availability of your local data will be helpful for the research phase. For suspected vacants, it is recommended that they be cross-reference with other records: water shut offs (accessed through the local water authority, postal records (accessed through the US Postal Service), property tax delinquency (available from the city or town tax assessor’s office) and code enforcement inspections (sometimes available online). Practitioners should also research who owns them and who has liens on them.
- **Strategizing/code enforcement** - Develop code enforcement and legal strategies for how to make these properties available for reuse. To elevate the issue and organize internal governmental and external efforts to address the vacants and find solutions for them – it is a good time to hire or designate the vacants coordinator, or “quarterback.” Sometimes it takes some political buy-in from presenting the windshield survey results to get support for a hiring a quarterback.
- **Land banks and funds** – Land banks are useful tools to address an area’s vacant properties if there are a large number and the strategy will need to be scaled. ⁶
- In some cases, the value of a vacant property is less than the amount that could be earned through the sale of the house, adding a layer of difficulty in rehabilitating and reselling these properties. This problem worsens as structures sit vacant and code violations and tax arrears begin to pile up on them, resulting in property tax liens.

⁶ We plan to produce a different issue brief focused on land banks.

In practice at LISC

Vacant lot programs

- **LISC Philadelphia** - Philly LISC, along with the Kensington CDC, and Impact Services to build a community garden in a vacant lot that had become a crime “hot spot” in the Kensington neighborhood. Click [here](#) for more information, or contact [Andy Frishkoff](#), LISC Philly.
- **ESPN Replay, national program** - The goal of the ESPN RePlay program is to repurpose vacant spaces to create quality recreational facilities in low to moderate- income neighborhoods in Los Angeles, CA, Philadelphia, PA, and Baltimore, MD. LISC will identify projects and provide technical assistance to local residents and community groups, and assist them from the predevelopment and construction phases to project completion. Click [here](#) for more information, or contact [Sports and Rec. LISC](#).
- **LISC Safety** - is the national training and technical assistance provider for the Department of Justice (DOJ) [Innovations in Community Based Crime Reduction \(CBCR\) program](#). CBCR brings together diverse partners to analyze crime drivers and pursue strategies that reduce crime, spur revitalization and build community-police collaboration. Through this program, local leaders in San Antonio helped transform two trash-filled, overgrown vacant lots used for prostitution and drug dealing using the principles of Crime Prevention through Environmental Design (CPTED). Click [here](#) for more information on this project, or contact [Mona Mangat](#), LISC Safety.

Vacant buildings rehabilitation program

- **Chicago, LISC** - The Large Lots Program is a program spearheaded by the City of Chicago and LISC helps residents of the low-income Englewood neighborhood purchase vacant lots that blight the area—for just one dollar. The requirements? That buyers already be anchored on the block as homeowners, and that they draw up plans to revitalize the formerly abandoned parcels. Click [here](#) for more information, or contact [Jack Swenson](#), LISC Chicago.
- **LISC Chicago** – As part of the Reclaim Southwest Chicago plan, funds are raised to buy and refurbish abandoned properties and convert them into affordable housing, with a focus on a 20-block area bordered by 69th and 63rd streets and Rockwell Street and California Avenue. Click [here](#) for more information, or contact [Jack Swenson](#), LISC Chicago.
- **Cincinnati, LISC** – As part of the 100% Housing initiative, LISC Cincy has inventoried the vacant properties in Hamilton County (where Cincinnati is located), and is currently in the process of analyzing the data about the properties. They used Loveland Technologies to complete the inventory. Click [here](#) for more information, or contact [Noam Gross-Prinz](#).
- **Connecticut, LISC** – The Hartford Neighborhood Development Support Collaborative transforms vacant and abandoned buildings into affordable housing. Current projected outcomes include rehabilitating 12 highly distressed properties in Hartford, and developing 435 affordable homes and managing another 1,100. Click [here](#) for more information.

- **Kansas City, LISC** - Helped to create a land bank. Working with LISC Housing, they are launching a \$15M acquisition fund targeting 260 vacant houses for home ownership in 5 years. For more information contact [Stephen Samuels](#) at LISC Kansas City or contact [Celia Smoot](#), LISC Housing.
- **NEF** – Chemung Crossing is the new construction of one 21-unit building and five duplex buildings and the gut rehabilitation of two vacant, historically significant buildings in Elmira, New York, about 90 miles southwest of Syracuse. The eight buildings will contain 45 units of affordable rental housing and three units of commercial space comprised of 3,566 square feet, which will be master leased to the Sponsor. For more information contact [Tony Lyons](#), NEF
- **NY State Housing Stabilization Fund** – After the New York Attorney General settled litigation with financial institutions implicated in the mortgage crisis, a number of banks tasked LISC with administering their settlement obligations for a number of housing related initiatives: The Zombie and Vacant Properties Remediation and Prevention Initiative provides grants and technical assistance to 76 municipalities across NY State seeking solutions for their vacant one-to-four family houses. LISC also funded thirteen land banks in New York State to acquire vacant houses, stabilize, rehabilitate and demolish them as needed, to create affordable homeownership opportunities. Click [here](#) for more information, or contact [Helene Caloir](#), Housing Stabilization Fund, LISC.
- **NYC, LISC** - LISC is a member and co-manager of, and one of five non-profit lenders for, the NYC Acquisition Fund that offers flexible bridge loans to pay for predevelopment costs and purchase of vacant lots for new construction and vacant structures for rehabilitation or repurposing to developers committed to create or preserve affordable housing in the five boroughs of New York City. It's a collaboration among the City of New York, LISC and Enterprise, major foundations and New York City's public and private affordable housing development community. Click [here](#) for more information, or contact [Arturo Suarez](#), LISC NYC.

In practice beyond LISC

- Detroit Future City -
<http://www.lisc.org/our-resources/resource/working-lots-field-guide>
- Flint, MI: Genesee County Land Bank -
<http://www.thelandbank.org/default.asp>

LISC Institute resources

- Addressing Problem Properties and their Impacts -
<http://www.lisc.org/our-resources/resource/addressing-problem-properties-and-their-impacts>
- Land Banks: How Data Transforms Vacancy into Value -
<http://www.lisc.org/our-resources/resource/land-banks-how-data-transforms-vacancy-value>
- “Land Banks and Land Banking” -
<http://www.lisc.org/our-resources/resource/land-banks-and-land-banking>

Other resources

- Abandoned Buildings and Lots Problem-Oriented Policing Guide -
http://www.popcenter.org/problems/PDFs/abandoned_buildings_and_lots.pdf
- Connecting Crime Reduction and Neighborhood Revitalization -
http://www.lisc.org/media/filer_public/b4/84/b48481ef-5c3f-4597-a757-32f87d442f43/bcji-connecting_crime_reduction_and_neighborhood_revitalization.pdf
- Concept Intro: Crime Hot Spots -
http://www.lisc.org/media/filer_public/ae/97/ae97d282-26e3-40cb-8a58-0b838e29f05d/bcji_crime_hot_spot.pdf
- Concept Intro: Revitalization & Safety -
http://www.lisc.org/media/filer_public/02/52/0252b7eb-7389-432d-863b-aef26ff7ad2b/bcji_revitalization_brief.pdf
- Lots to Love -
<http://www.lotstolove.org/about/>

- Michigan Community Resources -
<https://mi-community.org/wp-content/uploads/2015/10/Vacant-Property-Strategies-Resources.pdf>
- Tools for Change: The Chronic Nuisance Ordinance -
http://www.lisc.org/media/filer_public/28/2e/282eaf85-62cf-41e6-97bb-bf46660bc570/bcji-tools_for_change_-_the_chronic_nuisance_ordinance.pdf
- Understanding Crime and Place -
http://www.lisc.org/media/filer_public/e4/95/e49533ba-6642-4e1c-85a3-c8d0ce7d89cc/bcji-understanding_crime_and_place.pdf