PHILADELPHIA'S VACANT PROPERTY JOURNEY:
Fostering Collaborative Alliances with Converging Policy Reforms

September 2013

VirginiaTech

acknowledgments

The authors thank the Ford Foundation for its support, as well as the many individuals who contributed to or supported this project, particularly City of Philadelphia staff, elected officials, nonprofit organization representatives, and citizens who participated in interviews, shared documents and images, and reviewed drafts of this case study. Special thanks go to the following individuals:

- Rick Sauer, Executive Director, Philadelphia Association of Community Development Corporations
- Robert Grossmann, Director, Philadelphia Green Program, Pennsylvania Horticultural Society
- John Carpenter, Deputy Executive Director, Philadelphia Redevelopment Authority (PRA)
- Eva Gladstein, Deputy Executive Director, Philadelphia City Planning Commission
- Ann Agnes Pasquariello, Divisional Deputy City Solicitor, Code Enforcement, Philadelphia Law Department
- Maura Kennedy, Director of Strategic Initiatives, Philadelphia Department of Licenses and Inspections
- Ira Goldstein, President, Policy Solutions, The Reinvestment Fund
- Anna Wallace Adams, Chief of Staff, Office of the Director of Finance
- John Kromer, Fels Institute of Government, University of Pennsylvania

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executive summary

This case study is one of three conducted by Virginia Tech's Vacant Property Research Network (VPRN), with support from the Ford Foundation, to document resilient approaches to reclaim vacant properties in three cities: Philadelphia, Cleveland, and Baltimore. These studies identify policy reforms and program innovations to reclaim vacant properties, discuss each city's capacity and networks for adapting to ever-shifting vacant property problems, and offer recommendations for improving and sustaining each city's more resilient approach to urban regeneration. By synthesizing the strategies and initiatives across these three pioneering cities, the case studies bring to life the elements of a holistic and resilient policy process for vacant property reclamation that can assist practitioners, policymakers, and researchers in the design and development of a more resilient system for reclaiming vacant properties and regenerating distressed communities.

Resilience is variously defined, and its definition for cities is evolving. Although it is primarily linked to fields of disaster recovery and more recently climate change, when it is discussed in the context of urban policies, its principles extend to the characteristics that have always made for healthy dynamics in cities, notably the ability to adapt to changing circumstances, and to maintain or return to equilibrium (a "new normal") even after major demographic or economic change. Author Andrew Zolli articulated one definition of resilience:

> *A good working definition, particularly in an urban planning context, is: the ability to maintain core purpose, with integrity, under the widest variety of circumstances. More broadly, it's the ability to recover, persist or even thrive amid disruption…..Among other things, resilient systems sense and respond to their own state and the state of the world around them, compensate or dynamically reorganize themselves in the face of novel shocks, decouple themselves from other fragile systems when necessary, fail gracefully, and have strong local self-sufficiency.*[1]

The VPRN team identifies approaches to vacant property characterized by *adaptive resilience*, moving beyond conventional notions of resilience as a reutrn to a single euilibrium. As Margaret Cowell points out in a February 2013 article in *Cities*, the characteristic of adaptive resilience in legacy cities is focused not on "bouncing back" to previous economic models or levels of population, but instead on ways to take new leadership actions and to learn and adapt over time. Characteristics of adaptive resilience include:

- Adaptability to local circumstances, including sensitivity to neighborhoods' unique and diverse histories, markets, conditions, opportunities, resident leadership, and needs.
- Responsiveness to economic changes and regional, national, and global dynamics.
- High degree of collaboration, transparency, and in fact *permeability*—not only transparency of policies to the public, but an enduring collaborative network that reinforces ongoing communication; influences private, nonprofit, and public decisions; and can adapt to neighborhood conditions, political transitions, and institutional capacity.
- Flexible, readily accessible, and understandable knowledge base that can be frequently updated and used for a wide variety of purposes, both immediate and long-term.
- Shared vision for the city that is supported and realized by all of the previous characteristics, and that can withstand change and challenges.

A Resilient Policy Model and Collaborative Process for Reclaiming Vacant Properties
The framework for understanding the current and best practices in vacant property policy is presented in Figure 1. Five aspects of a cyclical, mutually reinforcing process can help cities match policy interventions to neighborhood type, and help communities develop policy systems that

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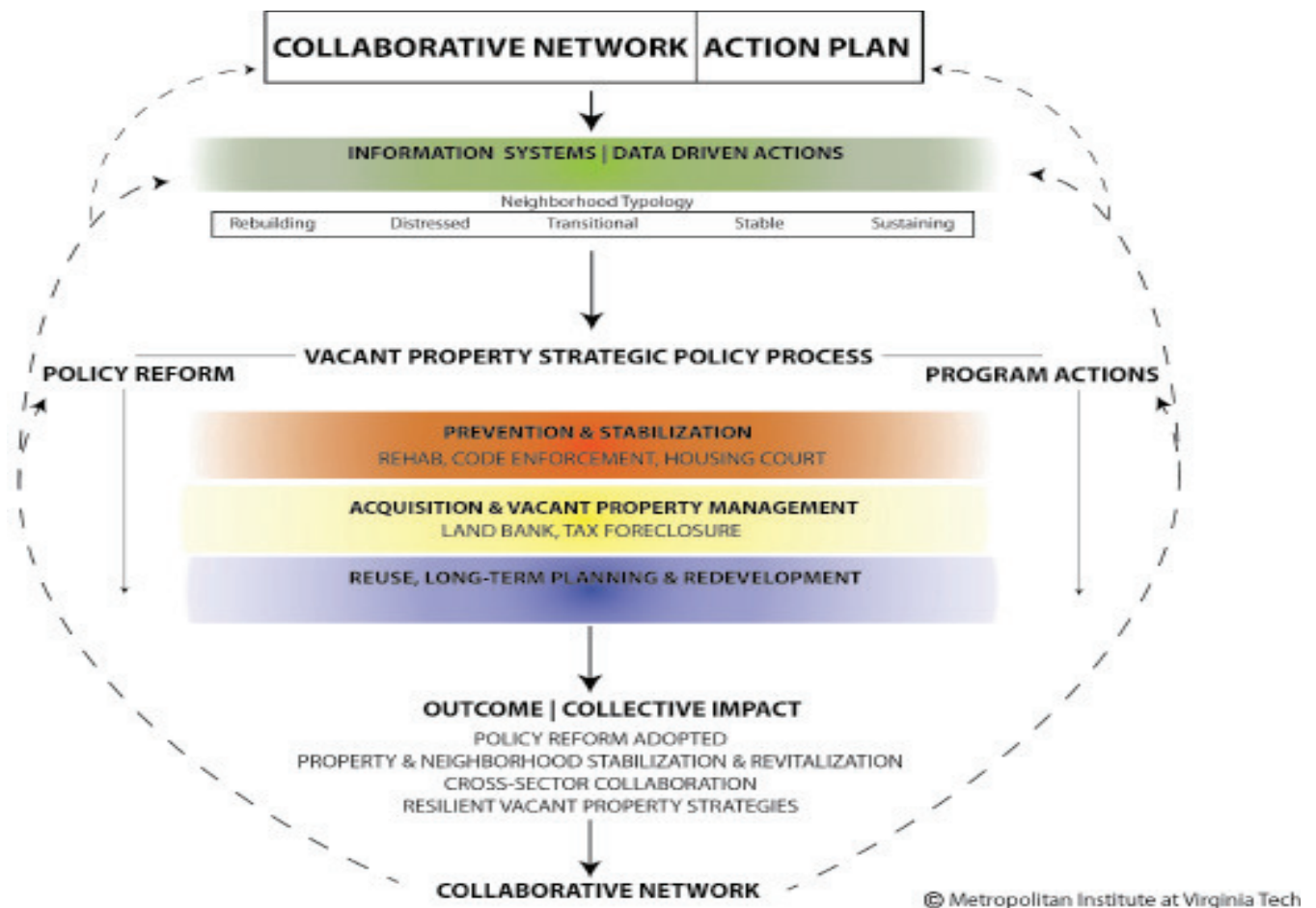
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FIGURE 1. Vacant Property Policy Cycle
Source: Metropolitan Institute at Virginia Tech

respond to the dynamic, changing conditions in markets and neighborhoods. Our policy model applies to cities of all types, from those experiencing significant decline with increasing inventories of vacant properties, such as Cleveland or Detroit; to those with vacancy and abandonment concentrated in a few neighborhoods, such as Atlanta or Las Vegas. The mix of policies and the emphasis among the five components would certainly vary from city to city depending on market conditions and neighborhood characteristics. Public officials and nonprofit/civic leaders can also use this framework as a diagnostic and assessment tool to identify comparative strengths and weaknesses as well as a tool to help them identify and adapt model practices from other communities. By adopting such a systems approach, communities can become more resilient in addressing future drivers of property abandonment and neighborhood decline. The policy cycle contains five interdependent components of a resilient system for reclaiming vacant properties:

1) **Collaborative networks of policymakers, practitioners, nonprofits, and business leaders** that foster coordination and problem solving among levels of government and across nonprofit, public, and private sectors. These collaborative networks serve as institutional and individual glue that supports actions on vacant property policy reforms and innovation. They often leverage outside expertise as a strategy to galvanize public and political support for making vacant property reclamation a top policy priority and then establish coordinating councils, working groups, and campaigns to implement the list of policy and programmatic prescriptions;

2) **Real property information systems** and information strategies to fully understand the complexities and spatial dynamics of vacant property problems by compiling, tracking, and disseminating a wide range of relevant data on vacant property drivers and impacts.

Local governments and nonprofits can then deploy existing programs in a more strategy manner based on current market and vacant property data. These information systems can also provide reports and analysis that support many of the comprehensive policy reforms (e.g., revamping code enforcement departments or chartering a land bank);

3) **Prevention and stabilization policies and programs**, such as code enforcement, rehabilitation resources, and housing courts that tailor their actions to match neighborhood data and typologies. Although the set of prevention policies and programs remains roughly the same from city to city, the scope and techniques vary depending on state enabling authority and local legal and policy limitations;

4) **Demolition, acquisition, and vacant land management policies/programs**, such as land banking, side lot acquisition, urban greening, and streamlined tax foreclosure procedures for abandoned properties that pose serious threats to neighborhood stability; and

5) **Innovative (and often green) reuse strategies and planning initiatives** (e.g., regeneration plans, sustainability policies, green development codes, and brownfields redevelopment) that infuse decision making with social, economic, and urban environmental goals, such as urban agriculture, generation of renewal energy, green infrastructure, and green jobs.

Philadelphia: Toward a More Resilient City through Information and Collaboration
Long a pioneer in urban greening and the strategic use of neighborhood data, the City of Philadelphia has recently reformed vacant property practices and made a new commitment to collaboration and policy practicality. For the first time in several years, working groups within City Hall are bringing together directors and managers from City departments and quasi-City agencies to revise arcane processes for tracking and disposing of government-owned vacant properties. Outside of City Hall, long-established community development corporations, housing, and urban greening networks are scaling up neighborhood efforts to approach citywide challenges, fostering the adaptation of model programs from other places, and continuing their advocacy with government leaders to adopt a system-wide policy reform agenda.

In the past, the very number and diversity of players in Philadelphia's approach to vacant property posed significant challenges to the City's effectiveness. Myriad departments and agencies with a role in vacant property programs all have their own policy priorities, processes, and procedures for tracking and disposing of publicly owned vacant properties. A 2010 study by Philadelphia LISC with the National Vacant Property Campaign identified 12 City and quasi-City agencies and more than 54 steps involved with acquiring and disposing of City-owned vacant properties.[2] The Vacant Property Review Committee (VPRC), led by the Council and consisting of 13 public and nonprofit members, has presided over the acquisition and disposition of surplus vacant properties since 1977 (and in fact, the City Council's role in public oversight of redevelopment and vacant property transactions extends back to the 1940s).[3] For decades, City officials and nonprofits pressured the Sheriff's Office (another public agency independent from the City) to modify its procedures for managing the sale of properties with delinquent taxes. Data collection and sharing were also a particular challenge because the responsibility for vacant sites and buildings is dispersed across many agencies.

Today the new convergence of policy ideas and entrepreneurial leadership is marked by more systematic and coordinated efforts than ever before. Public agencies and private groups are coordinating their work on a variety of vacant property policies and programs to address each stage of vacant property reclamation. This convergence marks a turning point in Philadelphia's 40-year quest for the right mix of policies and programs to stem the rising tide of vacancies. Subsequent efforts can be characterized broadly through successive mayoral visions:

- Former Mayor Rendell's focus on successfully redeveloping downtown in the 1980s, which spawned a handful of vacant property initiatives and department reorganizations over the next several years, complemented by unaffiliated private efforts that included the Pennsylvania's Horticultural Society's "clean and green" approaches to stabilizing low-income neighborhoods, and major institutions' investments in areas of the city, such as the

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University of Pennsylvania's community development in West Philadelphia.
- Former Mayor Street's Neighborhood Transformation Initiative (2002-2007), which focused attention beyond downtown, and sought to address mounting inventories of residential vacant properties in the neighborhoods.
- Current efforts by Mayor Michael Nutter to strategically invest new federal resources through the Neighborhood Stabilization Program and 2009 Stimulus dollars; and more recently to facilitate cross-agency collaboration to streamline information and procedures for disposing of City-owned vacant property.

Each of these transitions represented periods of cutting-edge policy experimentation driven by decades of political shifts, coupled with longstanding inefficiencies caused by layering of programs unable to keep up with prevailing conditions. Philadelphia's successes and challenges in its approach to vacant properties also reflect the nature of vacant properties themselves, which are overwhelmingly privately owned in most cities (77 percent privately owned in Philadelphia) and subject to nuanced histories and neighborhood conditions that make one-size-fits-all approaches unwise at best and unjust at worst, as well as shifts in neighborhood conditions and real estate markets, such as the recent foreclosure crisis.

By focusing its current efforts on reforming City policies and procedures for handing vacant public properties, the City of Philadelphia hopes to restore trust, credibility, and accountability that can lay the foundation for addressing the greater challenge of reclaiming private vacant properties. With a renewed commitment to collaboration across City departments and quasi-City agencies, Philadelphia seems poised to organize its suite of policy fixes and programs into effective and efficient systems for reclaiming vacant properties.

Beyond the nuts and bolts of vacant property data and disposition, this policy convergence also involves an unprecedented level of planning reforms that will likely become a significant part of Mayor Nutter's legacy of making Philadelphia a livable, healthy, and green city. Establishing connections among and between programs that prevent, abate, and acquire vacant properties and those that guide the reuse is a critical policy linkage as illustrated by our vacant property policy model. Recent revisions of the Philadelphia zoning code and comprehensive plan, along with implementation of its nationally acclaimed sustainability plan, include principles and specific provisions for guiding the reclamation and reuse of vacant properties throughout the city.

Within the next three years, Philadelphia enters perhaps the most pivotal transition in its vacant property journey. With strong backing for a local land bank by both Mayor Nutter and members of City Council (who introduced a land bank ordinance in February 2012), and passage of state-enabling legislation in the fall of 2012, the legal pathway is cleared for creating a land bank in Philadelphia. Mayor Nutter has convened internal and external working groups to develop the land bank action plan. Given past challenges with how the City and its sister agencies process vacant properties, forging political and community consensus around a land bank will be difficult, but achievable. Still to be resolved are what it would do, how it would operate, and who would lead the effort. Perhaps an even greater challenge is whether the City can institutionalize an enduring and holistic vacant property system by the time the next mayor takes office in January 2016. Can Philadelphia provide a regular forum where the City and its public and nonprofit partners can coordinate, communicate, and most importantly, continue to reinvent and recalibrate Philadelphia's vacant property policies and programs? Adapting to the inevitable changes in markets, neighborhood conditions, and urban systems lies at the heart of developing a more resilient vacant property reclamation system.

(Endnotes)
1   Richard Florida, "The Rush to Resilience: 'We Don't Have Decades Until the Next Sandy,'" in *Atlantic Cities, Place Matters*, 9 Nov. 2012. Accessed March 3, 2013 at http://www.theatlanticcities.com/jobs-and-economy/2012/11/building-resilient-cities-conversation-andrew-zolli-and-jonathan-rose/3839/
2   NVPC report confirmed earlier research in 2007 by the University of Pennslyvania's Fels Institute of Government. See generally Philadelphia LISC, *Improving Philadelphia's Vacant Property Programs,* (Philadelphia LISC & National Vacant Properties Campaign, 2010). Accessed May 9, 2013 at http://www.philadelphialisc.org/pdfs/Vacant-Properties.pdf.
3   See *Philadelphia Code*, §16:404(5). Accessed April 9, 2013 at http://www.phila.gov/philacode/html/_DATA/TITLE16/CHAPTER_16_400_VACANT_AND_SURP/16_404_The_Vacant_Property_Rev.html.