Lots of Potential: Strengthening the Philadelphia Land Bank With Preservation

Mary Amelia Lambert
University of Pennsylvania

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Lots of Potential: Strengthening the Philadelphia Land Bank With Preservation

Abstract
Prolific vacancy in Philadelphia's built environment is a major challenge as the city enjoys a resurgence in population and development. The creation of the Philadelphia Land Bank is widely seen as a necessary and useful tool to address the productive reuse of vacant properties. Preservation, however, is not a component of the land bank's policies and procedures. This thesis asserts that the goals of the land bank are actually well aligned with those of preservation. It is an assertion that the inclusion of a preservation ethos along with specific policy measures would strengthen the activities of the Philadelphia Land Bank vis-à-vis the built environment, and the results could be enjoyed by a greater number of citizens. Through arguments linking land banking to sustainability, economic viability, and cultural heritage, this thesis makes the claim for preservation to positively impact the approximately 32,000 vacant properties that are spread throughout Philadelphia. By exploring partnerships across the country that other land banks have with local preservation organizations, case studies are presented on which to base recommendations for the Philadelphia Land Bank to offer creative solutions to the challenge of problem properties and too few citizen-led opportunities to revitalize the city.

Keywords
land bank, preservation, Philadelphia, vacancy, rehabilitation

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MARY AMELIA LAMBERT

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___________________
Advisor
David Hollenberg
Adjunct Professor, Graduate Program in Historic Preservation

___________________
Program Chair
Randall F. Mason
Associate Professor and Director, Graduate Program in Historic Preservation
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Introduction

The objective of this thesis is to illustrate how the goals of the Philadelphia Land Bank are aligned with those of preservation and therefore how the deliberate inclusion of a preservation ethos would strengthen the work of the land bank. Specifically, this thesis attempts to demonstrate how an expanded role for preservation would help the land bank’s mission be more responsive to and responsible for encouraging sustainability, the retention of cultural values (and the repair of cultural fabric), and the overall economic health of the city. By infusing the agency with preservation policies, strategies, and philosophies, the land bank could ground its work in the communities it serves and tether its inventory to its historic context so that adjacent growth adds a new layer to the neighborhood narrative.

The Philadelphia Land Bank is a newly established agency that aims to streamline the process of acquiring and reusing vacant and abandoned properties (empty parcels and vacant buildings alike) by clearing title, addressing tax delinquency issues, and planning for the productive redevelopment of these properties and parcels, and therefore also of the neighborhoods in which they are found. Sustainability, economic growth, and the retention of sociocultural values are all preservation issues, and all should be incorporated as goals for a stronger city. The intended result of the prioritization of preservation principles into the land bank’s strategic plan should be improving physical and fiscal health for the city and its neighborhoods; providing a
richer, ongoing narrative around which a community can define itself; attaining sustainability and affordability goals; and changing views about preservation and its role in policy making.

This thesis will examine the strategies of several existing land banks across the country to propose potential refinements to the Philadelphia Land Bank with respect to preservation concerns, reinforcing the mission and goals of the agency. By exploring best practices and lessons learned at the national level and contextualizing them within their respective enabling legislation, the Philadelphia Land Bank is positioned to benefit from the path already forged by similar agencies and preservation organizations to address. This thesis will discuss the context of vacancy in Philadelphia, a formerly shrinking city now on the rise.

This thesis will examine the practical concerns of repurposing an existing, vacant building, including demolition and rehabilitation issues. Demolition is often considered one of the keys to creating a newly functioning neighborhood or building from one plagued with vacancy. However, this mindset has over time often proven to be one with disastrous consequences. The history of city planning in the US over the course of the twentieth century is rife with demolition as a major planning component, and more often than not with disastrous results. In particular, clear-cutting existing urban landscapes was a nationwide trend for large-scale, urban renewal initiatives such as highway installation, slum clearance, or other institutional projects that never truly engaged with an affected community. Existing buildings can provide a level of affordability and sustainability on par with or better than new construction. Their reuse
provides a model that can continue to keep older buildings relevant, and keep community connections intact and even strengthened.

Finally, this thesis will ask its primary intended audience, the Philadelphia Land Bank and its partners, to begin to re-frame the issues of vacancy and abandonment in the built environment. Vacant and abandoned building are too often misunderstood, both physically and psychically. They are seen too readily as the disease, not the symptom, or as liabilities and roadblocks to success in the urban ecosystem. They can be viewed also as the physical embodiment of failed ownership responsibilities. The built environment is an expression of policies and the values those policies presumably represent. As such, vacant properties should alert us to making corrections at the policy and organizational level. This is part of the reason why the Philadelphia Land Bank should take a leadership role in the repurposing of its inventory of vacant lots and buildings. The health of the city relies upon it.

In the latter half of the twentieth century, the City of Philadelphia suffered from a loss of population and jobs that was manifested in the built environment as vacancy. Since 2000, the city has been experiencing steady growth in jobs and new residents, from a peak population of 2.07 million people in 1950 to an estimated 1.562 million in 2016. Buildings that once contained residences, businesses, and industry sat empty and abandoned as jobs and people moved away and the economy shifted away from manufacturing. As an older, industrial urban center that has experienced job and population loss, Philadelphia is now being transformed from a shrinking city to one that
is experiencing the infusion of new investment and population growth. Yet, the entire city is still dotted with large swaths of empty parcels and vacant buildings.

In 2012, following the creation of enabling legislation in the Commonwealth of Pennsylvania, a municipal land bank in Philadelphia was established. The Philadelphia Land Bank was formally created in 2013 with an objective to expedite the redevelopment of vacant and abandoned land. The primary goal of the Philadelphia Land Bank is to expeditiously return underutilized properties to income-producing properties. The process is ostensibly straightforward. Vacant, abandoned, and tax-delinquent properties held by a variety of municipal agencies or private sources are acquisitioned by the land bank. Land bank staff oversees the discharge of tax liens and/or titles. The properties are then offered for sale to the public. The economic charge of property reactivation aligns well with that of urban planners, preservationists, city council, and all other parties who desire life and capital pumped back into dead or dying buildings and cities. Other benchmarks that the land bank meets are related to sustainability, or resource management, although this is not explicitly addressed as a goal. Nevertheless, explicitly expressed heritage values (i.e., social/public history, cultural landscapes) are missing from any reading of land bank documents. Land bank activity should also be a part of a greater, holistic approach to urban development in Philadelphia, one that more conscientiously includes the diversity of residents and interacts with a wide variety of partners.

The land bank does not currently have clear goals targeting the number of properties that will eventually be used for market-rate or affordable housing
development, or side yards and other vacant parcels for urban gardening.\(^1\) The reason for absent goals such as this are more than likely because the land bank is still in its infancy. This thesis, therefore, arrives at a moment in which the land bank is well positioned to incorporate a variety of initiatives that have worked well in other municipalities where land banks and preservation considerations have partnered, taking advantage of the ensuing lessons learned and best practices from other parts of the country.

In December 2015, the Philadelphia Land Bank received the first deposit of properties, 90% of which are vacant parcels. All of these are currently zoned residential; none are commercial or industrial properties. However, historic preservation advocates have not been at the table, nor are preservation principles and policies incorporated into the initial documents from the land bank. The demolition of historic properties as well as vacant ones is an ongoing problem in Philadelphia that has many sources. Allowing wholesale demolition to continue without check, however, is irresponsible. The potential impact on Philadelphia’s built environment is significant.

Across the country, several municipalities have been able to create through land banking the tool they need to address vacancy and the abandonment of real property. Cities and communities have been able to use land banks to facilitate property realignment, neighborhood stabilization, and community revitalization. This thesis will

do three things: one, it will examine the Philadelphia Land Bank’s strategic plan and contextualize the local issues, making a case for preservation on three fronts (sustainability, economics, and sociocultural values); two, it will present case studies from across the country on how some land banks are successfully incorporating preservation into their activities vis-à-vis land banking; and three, it will present ideas for implementation by the Philadelphia Land Bank and partners to include preservation principles, policies, and ideas in order to strengthen the Land Bank’s policies and outcomes in the service of stronger, better functioning neighborhoods.

Philadelphia is the fifth largest city in the United States, the largest city in the country with a land bank. It is a city with nearly 32,000 underutilized parcels, according to the land bank’s strategic plan. While the Philadelphia Land Bank was incorporated in December 2014 and its Strategic Plan and Disposition Policies were quickly established, the first deposit of land in the bank’s coffers was in December 2015. These initial 800 properties are 90% vacant parcels, with no structures on them at all. The preservation of older buildings is therefore not an immediate priority for the land bank. However, this is a crucial moment to help maximize the benefits of the land bank. The establishment of policies and procedures and intended outcomes of the reuse of older buildings will be extremely helpful once these types of properties comprise at least 50% of the land bank’s holdings, according to a Philadelphia real estate developer.\(^2\) This percentage

\(^2\) The 50% benchmark figure for vacant buildings in the land bank was offered during a phone interview with Liz Gabor, January 12, 2016.
represents a benchmark that, once achieved, will attract the attention of a broader range of developers to the Philadelphia Land Bank.

From its perch in the nineteenth century as the Workshop of the World, Philadelphia lost a fair amount of industry and population in the post-war period, including one-fifth of its residents between 1970 and 2012.\(^3\) With population in the city currently growing, there is opportunity to revitalize existing buildings in neighborhoods all across Philadelphia for a variety of uses with a mix of partners and beneficiaries. This is a city with physical fabric capable of accommodating nearly 2 million people, the population achieved in the 1950s before suburbanization and ‘white flight’ drained away many of the residents and the resources they bring.

This is an interesting moment to propose ways in which the effectiveness of a land bank could be maximized. In November 2015, Philadelphia became the first American city to be named a UNESCO World Heritage City. This designation is a toothless honorific that comes with no further funds or UNESCO involvement, yet it should spur city leaders to reevaluate our appreciation of and approach to our historic resources, and to understand the critical role they play in making Philadelphia such a dynamic, important, and exciting city for the twenty-first century. Historic preservation is a necessary component to any successful planning practice, and an economically strong community includes the reuse of historic fabric.

The experience of a city is intimately tied to its architecture and one’s movement through that architecture, yet the adaptive reuse of the existing built environment is not often addressed except in terms of clear-cutting and demolition. Our built environment should no longer be seen as something that can be so blithely expendable. The reasons behind such short-sighted visioning can be traced to a lack of creativity from city government, the building industry, and the development community, especially in terms of rehabilitation and demolition where a false dichotomy exists that preferences demolition as a more efficient solution. Other reasons include the fact that vacant and abandoned properties are a challenge for any community, whether at a neighborhood or an urban scale.

Fully cleared and consolidated development parcels are viewed as more attractive to developers than parcels with properties to be retained and rehabilitated. There are two reasons for this: developers want as few hurdles as possible to the redevelopment of land, and more to the point, the rehabilitation of existing properties is seen as less cost effective. Vacant and abandoned properties speak to systemic and structural problems that cities face; the physical condition of a building acts as a proxy for the underlying relationships in a community and the desecration of a neighborhood speaks directly to social and economic disorders that bedevil the people who live there. Finally, and most importantly for this thesis, preservation efforts are too often dismissed in urban redevelopment or planning initiatives before a thorough understanding of them can be attained, while their employment could help all parties achieve the same goal of urban revitalization.
In *The Death and Life of Great American Cities*, Jane Jacobs states that cities “need old buildings so badly it is probably impossible for vigorous streets and districts to grow without them.” She continues to explain that it is not only landmarks that cities need, but also the vernacular, everyday architecture that most of us live in or around and know most intimately. The rowhouse, for example, is a Philadelphia housing archetype. It is affordable, sustainable, and energy-efficient. This is where the land bank could make a real difference. The restoration or rehabilitation of ordinary housing and commercial structures that have been abandoned or left vacant could be key tools in revitalizing neighborhoods throughout Philadelphia.

Philadelphia has the highest percentage of poor homeowners, at 38% according to the 2000 US Census. This must be taken into account when designing initiatives that will stave off abandonment, one of the main issues that is behind the creation of land banks. The goal should be of keeping people in their homes and not putting them in the undesirable position of abandoning their residences. This is exactly the set-up that could lead to the vacancy and abandonment that initiates a land bank’s involvement in order to clear title, address outstanding taxes, and return properties to productive use, both for the city (tax revenue) and its citizens (safe, affordable housing in viable neighborhoods).

A reasonable goal for any land bank should be to put itself out of business. The sooner vacant lots and buildings are returned to productive use, and a citywide house

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maintenance program that is equitable in its scope and assistance is established, the more quickly Philadelphia can assume the mantle of a true world heritage city, with or without a formal UNESCO designation. The city would become a place where anyone could succeed and create a good life, with affordable housing and plentiful job opportunities that capitalize on the built heritage of the city. The Philadelphia Land Bank can play a role in the creation of affordable housing, the retention of heritage values, and the incorporation of sustainability measures by reusing existing vacant and abandoned buildings.
Chapter 1

What is the Philadelphia Land Bank? An analysis of the 2015 Strategic Plan

Effective December 2012, the state legislature in Harrisburg, PA, enacted the Pennsylvania Land Bank Act. This legislation was designed to be a flexible tool to assist Pennsylvania municipalities in the acquisition, management, and disposal of vacant or abandoned properties, so as to facilitate their redevelopment and use.5 The new law was created for the use of any municipality with more than 10,000 residents in order to address the challenges of balancing redevelopment with the reality of having inventories of vacant or abandoned properties, allowing the municipalities to create their own ordinances. Any land banks created in Pennsylvania would be public bodies created by adoption of a local ordinance. According to the Federal Reserve Bank of Philadelphia, a land bank’s powers include the ability to:

- Acquire properties by tax foreclosure, purchase, lease-purchase agreement, donation, or transfer from a municipality or redevelopment authority
- Develop, construct, rehabilitate, or demolish properties
- Sell, transfer, lease, or mortgage properties

• Discharge and extinguish tax liens and claims of participating jurisdictions and file court actions to obtain a clear title for single or multiple properties

• Purchase foreclosed properties at judicial sales, giving the land bank a free and clear title to the properties

• Create partnerships, joint ventures, and other collaborative relationships with municipalities and other public and private entities\textsuperscript{6}

In other words, land banks engage with real estate in such a way as to facilitate the productive re-use of land and thereby assist in community and neighborhood revitalization, economic development, and sustainability - all pillars with which preservation is perfectly positioned to partner.

The Philadelphia Land Bank came into existence in December 2014 with City Council Bill Number 130156-A, legislation signed by then-mayor Michael Nutter. By December 2015, the Philadelphia Land Bank Strategic Plan and Disposition Policies were published. These policies outline the mission, goals, and partners for the new agency.

The mission is stated as such: “The Philadelphia Land Bank is a new agency whose mission is to return vacant and abandoned property to productive reuse.”\textsuperscript{7} This is a straightforward and solid statement ostensibly in service to the residents of the city, but


it is lacking in details. With an estimated 32,000 vacant properties (a mix of vacant parcels and vacant buildings) having already been identified for inclusion in the land bank, a bold, no-nonsense vision is an imperative in order to get property back into service for Philadelphians and into tax production for the city’s coffers. They are partly there.

Yet, in the reading of the state legislation and that of the Philadelphia Land Bank’s 2015 Strategic Plan and Disposition Policies, a few things seem missing. The focus of this thesis is the missing preservation component, or in the case of the Philadelphia Land Bank, a willingness to view older, ordinary buildings, admittedly often in various states of decay, as viable properties for rehabilitation. Despite the occasional use of the word rehabilitate, the statewide legislation and the Philadelphia Land Bank have neither implicitly or explicitly incorporated preservation into the language of the ordinances. Part of the Philadelphia Land Bank’s missions should be to provide a road map for developers, focusing on not just the logistical concerns of specific parcels, but also on neighborhood revitalization goals. This is precisely where preservationists could be of valuable assistance: interpreting historical development patterns, helping to identify the significance of heritage assets, and contextualizing contributions to citywide character that one property can have in the city or its neighborhood.

Details on rehabilitation as a tool to tackle the vacancy problem are not present, either. Demolition is too often seen as not just the first line of defense against the blight created by vacancy, but the only one. Many times, developers are guilty of seeing the only valuable parcel as an empty one, a property or structure upon it as being an
obstacle to a strong cost benefit analysis. As part of a wider education project, the Philadelphia Land Bank could be helping developers, who rely on self-created development diagnostics, to learn how to reframe their perception of older buildings, making the economic argument for rehabilitation. Not all developers focus solely on the bottom line to the detriment of historic buildings or the heritage values that are inherent in older neighborhoods, but they have not all been convinced of the connection between preservation as a tool for urban revitalization and that of their bottom line.

Further to understanding the point of view of the Philadelphia Land Bank is knowing the current disciplinary profile of its board of directors, which, as would be expected, consists of intelligent, competent people who serve the land bank based on their extensive experience in land use and housing issues. There are attorneys, advocates for affordable housing, policy professionals, and others with Community Development Corporation backgrounds. They are a strong group, but collectively can be seen in part as representing a large-scaled, heavy-handed approach to the issues of housing, public funding, and land use with their backgrounds at, for example, the Philadelphia Redevelopment Authority or City Hall. Organizations such as these have been working with models that mirror those studied and often advocated by groups like the national vacancy nonprofit Center for Community Progress – filtering federal funds into municipal authorities to be used primarily toward large-scale demolition on behalf of land assemblage without much or any regard toward small investors, sustainability issues or community heritage.
This thesis and supporting research, on the other hand, is intended to demonstrate optional models for land use practices that address vacancy while addressing if not prioritizing neighborhood character and sustainability features. Instead of an urban renewal approach, one that experts insist has repeatedly failed American cities, new ground could be forged that helps neighborhood residents, small developers, and first time homeowners. The Center for Community Progress is in fact, slowly but surely opening itself up to preservation components to their mission. Likewise, there is a similar role for preservation principles and practices in the activities of the Philadelphia Land Bank. In fact, the agency’s current greening programs for vacant parcels is operating on a scale that supports single lot sales to individuals, not bundled parcels available only to developers. This model should be extended to the sale of vacant buildings as they become a greater part of the agency’s inventory.

Reading through the Strategic Plan shows that the land bank has had plenty of community input into its creation and makes a strong effort at being transparent with its goals. Yet there are few specifics offered when it comes to the actual process of the bank’s action once properties are deposited. This may very well be because “we are building the plane as we fly it”, as Guy Thigpen, Director of Analytic Services for the Philadelphia Land Bank, described it in early 2016. Fortunately, based on the Strategic Plan’s purpose and goals, a path to including preservation-based outcomes can be forged.

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8 Lecture by Guy Thigpen at PennDesign sponsored by MUSA/City Planning Department, February 5, 2016.
The Executive Summary includes a listing of a number of tools the land bank can use to help return derelict properties to productive use. It can “acquire tax-delinquent properties through tax foreclosure; clear the title to those properties so that new owners are not burdened by old liens; consolidate properties owned by multiple public agencies into single ownership to speed property transfers to new, private owners; and assist in the assemblage and disposition of land for community, nonprofit and for-profit uses.”9 This sounds like a solid plan, but it could be much bolder in deliberately including the rehabilitation of vacant buildings as a key component of the plan.

Further, the Summary indicates that, “as envisioned by City Council, this 2015 Strategic Plan is intended to help set the ground rules for Land Bank activities by: identifying market conditions across the City, providing an inventory of vacant and tax delinquent properties that the Land Bank could take in.”10 Philadelphia does not have a citywide Historic Resources Survey documenting all listed, eligible, or identified historic resources (including, but not limited to, buildings, parks, streetscapes, etc.). While this would be an invaluable tool to help planners and developers, there are other more expedient and less daunting ways to ensure preservation-related best practices and outcomes of the Philadelphia Land Bank. The Summary does mention that working with public and private partners will ensure that the “acquisition and disposition of land has the greatest benefit to Philadelphia’s neighborhoods.”11

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10 Ibid., 2.
11 Ibid., 3.
If the revitalization of neighborhoods is indeed a goal, and the need for many partners in such an endeavor is recognized, then there should be no further obstruction to a partnership with local and statewide preservation groups. As of this writing, neither The Preservation Alliance of Greater Philadelphia, Preservation Pennsylvania nor any neighborhood historical society have been included as a community partner in the discussions around the creation and implementation of a land bank in Philadelphia. Such a strategy should change if the stated mission for the land bank includes neighborhood revitalization and property rehabilitation, issues that preservation directly addresses and that this thesis discusses later in this chapter.

There are seven goals delineated in the Strategic Plan, each of which falls under one of three categories: Citywide Approach, Focus Zones, and Operations. The first two categories contain goals worth examining for their capacity to be receptive to preservation. The first goal is to “Return Individual Vacant Lots and Buildings Across the City to Productive Use.” This is a solid goal under the Citywide objectives, and mentions residential rehabilitation, as well as gardens and side yards, as a component to addressing scattered vacant lots or buildings. Specifically, this goal includes action to identify, acquire, market, and convey “individual development opportunities” across the city. These so-called IDOs are called out as opportunities to have a developer or property owner use rehabilitation to invest in a property. More details should be offered about such opportunities to retain and rehabilitate existing building fabric, especially in neighborhoods where only a few vacant buildings dot the landscape, and where there is a high level of neighborhood occupancy otherwise. This could be an
excellent route to achieving density goals and keeping and restoring historic fabric to contribute to an active neighborhood.

Goal 2, a Focus Zone objective, is to “Promote Equitable Community Development.” As Ned Kaufman has pointed out, “you can’t say place without saying race in many urban American neighborhoods.” The truth is that most of the areas of disinvestment and vacancy in Philadelphia are in minority neighborhoods. There are many factors that have played into this reality over the years, but going forward, the inclusion of minority families and individuals as potential homeowners and commercial property owners must be achieved. Specific initiatives to address literacy in financial or real estate transactions would be beneficial to lower income communities, in particular, but also provide a way to include the rehabilitation of existing structures for truly energy-efficient, durable, and affordable housing. The reasons for going about this will be proposed later in this chapter. Suffice it to say that the inclusion of the preservation of Philadelphia housing typologies, especially but not exclusively the rowhouse, even in its smaller, 800-1200 square foot manifestation, would be a boon to neighborhood revitalization. Along with homeownership of these properties, this would help neighborhood affordability, and reinforce existing storyscapes important to communities yet invisible to outsiders.

Goal 3, also a Focus Zone initiative, is aimed at extending private investment. Specifically, the land bank is calling for assistance in providing land for viable, market-
rate investment, especially developments incorporating an affordable housing component. While this may be an appropriate measure for a land bank in Philadelphia to consider as part of a comprehensive toolkit, this is a goal that could and should include rehabbed properties. The language used seems to focus on empty parcels as the only mechanism for private investment and toward developers as the only parties willing and/or able to take on such a role. There is an opportunity here to pivot from the perspective that new construction is the only viable route forward to neighborhood creation in actual practice. New infill will be a necessary component to areas that have vacant parcels. Additionally, community gardens and green spaces play their part, as the land bank already understands through their offerings of vacant land for these purposes. But when faced with neighborhoods replete with vacant or abandoned buildings, appropriate cost estimating should be done for existing buildings proving the viability of rehabilitation and restoration projects.

Goal 4, again a Focus Zone objective, is to “Contribute to Long-Term Economic Vitality.” This is an enormous opportunity to rehabilitate commercial properties, especially those along historically strong commercial corridors throughout the city, as well as the remnants scattered throughout the city from Philadelphia’s years as the Workshop of the World. The corner store may not be the main source of most household grocery shopping anymore, but it can still be considered a building type that could be employed in the service of housing a variety of new businesses and start-ups. The city is rife with the physical infrastructure for small businesses, and there is a desire for individuals throughout the city for a kick-start into private ownership of commercial
ventures. Suggestions for marrying older, built fabric with incentives for small business owners or nonprofit organizations should be explored.

Further, the land bank, as part of its overall marketing strategy, could easily market these properties – understood vis-à-vis vacancy with an overlay of existing historic resources – so that the heritage of the city is underscored as one of the unique qualities of starting or moving a business in Philadelphia. The archival and historic records in the city are deep and diverse. The juxtaposition of historic and current photos with a short blurb about the history of a building or its previous owners is a story that sets up a potential buyer and small business owner to be another link in the chain of commercial activity in a historic city. People might jump at the chance to take up residency in the right building after learning of its story and possibly even seeing personal alignments with those who came before. This is an action that portends deepening the root system of those who live and work in Philadelphia, and that is good for its long-term economic outlook.

Additionally, the adaptive reuse of existing buildings that no longer serve their built purpose, such as a theatre or mid-rise industrial building, should be encouraged, despite some obvious challenges in the adaptive reuse of larger scale, purpose-built structures. The economic impact of the demolition of existing buildings should be compared financially and in terms of energy efficiency and other sustainability measures with the restoration or rehabilitation of existing buildings. Not only that, but the loss of older or historic fabric, while difficult to measure quantitatively, has an impact on our psyches and our relationship to our neighborhoods and each other. The reuse of small-
scale commercial or light industrial buildings should be a priority in any citywide economic revitalization plan.

Although Goal 6 pertains to supporting clear and transparent land bank operations, there are a couple of points made that open the door for preservation involvement. One of the strategies called out is to follow those set out by the Philadelphia2035 (the city’s currently adopted Comprehensive Plan, setting forth changes needed to be made “today to create a more livable, healthy, and economically viable city in the future”) and accepted neighborhood plans. This is an ideal opportunity to include preservation plans. The nation’s only World Heritage City is positioning itself for the future and the Philadelphia2035 plan is full of historic photos and references; why not set about policies that make the direct connection between our heritage and our bright future?

Goal 7, under the rubric of Operations, calls for actively marketing land bank properties. As stated above, this is a fantastic opportunity to establish a narrative of the city’s discarded built heritage with historic and archival resources – and become a “world heritage” city in a wider sense, for every citizen, no matter their neighborhood or socio-economic position. New stories about older, reusable places would then position individual properties for redevelopment, and the city itself with a broader, more inclusive perspective on heritage and conservation. From Independence Hall, is there a more interesting line drawn to the Philadelphia Museum of Art, or to the rowhouses and former jazz clubs of Sharswood? The answer will be different for
everyone, but every taste could be accommodated as this city of neighborhoods stretches beyond the boundaries of Center City and eastern University City.

The Strategic Plan spells out specific 5-year targets for land bank activity, and an acknowledgment that “it will take time to fine-tune the process for acquiring and disposing of land.”\textsuperscript{13} It is therefore imperative to make recommendations now for the inclusion of preservation strategies as the land bank eventually moves toward acquiring and disposing of older, vacant properties. This is another reason why a database of citywide historic resources could prove to be helpful. It would help planners strategize about the ways in which historic growth patterns, fabric, and narratives can help inform the decisions we make tomorrow about our future. Without preservation playing a crucial role in the development of the land bank, “expect incompatible development, insensitive land assembly strategies, and a lot of demolition ahead in old neighborhoods,” Cara Bertron of Rightsizing Cities Initiative has said.\textsuperscript{14}

To inform the 5-year targets, a reporting framework has been established. The categories, however, reject property types in favor of an outcome. In other words, instead of mentioning vacant parcels or rowhouses or commercial structures, the targets include Economic Vitality, Open Space, Equitable Development, Private Investment, and Individual Development Opportunities. The language teeters toward


more developer-friendly buzzword choices than neutrally presenting building types. Perhaps this is appropriate here and now at the front end of the land bank, before outcomes are determined. Yet, including more neutral language that is friendlier to the layperson the land bank claims it would like to have as a property investor might yield better results for keeping neighborhoods and their historic fabric intact. This will be an area to watch and one in which preservation could be of useful assistance.

Another area to watch is presented under the topic of Next Steps. It includes an insistence upon community involvement. “The Land Bank must follow a detailed community process for each property considered for acquisition or disposition.”15 The land bank documents have so far been explicit about the agency not taking on the approximately 32,000 vacant properties that exist in the city. In other words, it will be selective about the amount of deposits it receives. How this plays out in terms of the future of some of the ignored properties will be seen, and the insistence on community review for each property coming in or leaving the land bank may be either onerous, or a helpful, democratic experience.

Language in the Appendix to the Executive Summary is vague, although ostensibly positive in terms of economic and societal outcomes. The language the land bank uses will need to become more pointed in its direct inclusion of preservation and reuse principles and strategies if they are going to succeed at the other goals of being transparent and community-based. The community is more than the developers, it is all

citizens of Philadelphia, and all are allowed a place at the table. Yet, the success of the land bank to address community needs will be determined by the inclusion of heritage values and specific preservation-based incentives, targets, and recommendations. The land bank is about more than the conveyance of land. It should be about using the powerful tools of property acquisition and disposition to revitalize neighborhoods, to include lower income people who want to invest in rehab properties, and to preserve and protect our historic urban fabric to include more Philadelphians than initially imagined in the economic growth that the city is currently experiencing.

Understanding Philadelphia’s development

In order to begin discussing the topic of integration of preservation into Philadelphia Land Bank policies, a review of the history of development conditions in Philadelphia is in order. Only when these conditions and historical patterns are understood could the work of the land bank be made stronger by better understanding and contextualizing their mission of returning vacant or abandoned properties back to taxable status. In a city founded on the ideals of religious freedom and plurality, it would seem appropriate and correct that a sense of equity and accessibility would extend to housing options and opportunities for all citizens. This thesis is a call for the city’s nascent land bank policies to re-engage with that tradition. There are avenues both in the City and at a citywide level for achieving fairness in housing, accessibility to business opportunities, and justice for all of Philadelphia’s citizens, including the poor, the
disabled, the homeless, the LGBTQ community. It is precisely this call for fairness with regard to affordable housing and other social justice issues that led groups such as the Women’s Community Revitalization Project to be deeply involved in the creation of the land bank in Philadelphia, demanding transparency and accountability.

Well known as “the City of Neighborhoods” or “the City of Homes”, Philadelphia has, since the mid- to late-nineteenth century, been at the forefront of the innovative housing prototype known as the rowhouse. It is a housing type with several variations, but is unified by shared long, party walls; a dense urban footprint (many housing units per block); and a propensity to encourage neighborly relationships through close proximity and, when relevant, through stoop or porch culture. Sustainability and energy efficiency are two modern attributes easily applied to existing buildings in Philadelphia, and these are important topics to be discussed.

When William Penn first surveyed Philadelphia in 1682, he had a vision of a tightly-bound, gridiron street pattern running between the Delaware and the Schuylkill Rivers. To the north and south of this regulated street system was the setting for a pastoral landscape dotted with large country seats that Penn called his “greene countrie towne.” As the city grew in the years leading up to the 1854 Act of Consolidation and followed by the Civil War, this gently developed countryside yielded to an ambitious expansion of the gridded street system that in turn lent itself to the regularized subdivision of blocks into residential developments. The grid maximized real estate development as “the simplest, cheapest, and clearest way of dividing land for rapid
development.”16

By the late nineteenth century, the now consolidated city of Philadelphia was dense with these new and well-constructed houses, responsive to the street grid as much as to the rush of new immigrants arriving throughout the century to benefit from the industrialization of the city. There were rowhouses for every class: middle managers in three story structures, the “workingman” in a two story unit, and lower income people in rowhouses divided into flats. Within nearly every neighborhood, there was a balanced mix of residential, commercial and light industrial buildings and uses: corner stores, local factories, residences above commercial properties, churches appealing to different ethnicities. Particular businesses were concentrated in certain areas, such as the breweries of the once German enclave now known as Brewerytown near Girard College, and the iron and stone suppliers that built up along Ridge Avenue to accommodate the rising cemetery industry in what was then the outskirts of town.

The population shift in Philadelphia from its 1950 peak of just over 2 million people, from its trough in the 1970s of 1.516 million before beginning its slow climb to the count in the census of 1.587 million, echoed that of other major cities in the United States. Andrew Hurley describes what happened as such: “American cities hit rock bottom in the early 1970s. Affluent white families had fled en masse to the suburbs, leaving behind racial minorities and the poor. Manufacturers had abandoned the city as well, depriving urban populations of what had long been the major source of decent-

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paying jobs and tax revenue. Strapped for cash, municipal governments slashed basic services and still came perilously close to bankruptcy. Crime rates soared while property values plummeted. It was an era of urban crisis, and the future of the city looked bleak. Nowhere was the demise of urban America more visible than in the older residential areas surrounding central business districts. Here, weed-strewn lots, crumbling buildings, broken windows, and graffiti-covered walls presented overwhelming and unmistakable evidence of decay, despair, and obsolescence. “17

Further, the social consequences of the shattering of society from the 1960s onward have fallen along racial lines. The nineteenth century immigration to Philadelphia into new, if rather ordinary, housing was about residents “living in ‘ghettos of opportunity’ while the African American population resided in ‘ghettos of last resort,’ highlighting the presence of deep rooted disparities along racial and geographic lines.”18 The city’s white population moved steadily to the suburbs while black immigrants from southern terrorism in the Great Migration of the early twentieth century remained, and quickly found themselves without a sufficient job base and with rapidly dwindling public services.

Yet, despite such dire circumstances, the country’s older infrastructure and neighborhoods have formed the basis for downtown and neighborhood revitalization projects ever since. “As the most widely employed means of delivering history through

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urban landscape, historic preservation stands poised to make a much greater
collection to the amelioration of urban woes than ever before."¹⁹

Philadelphia’s physical legacy is still largely from the nineteenth and early
twentieth centuries and ripe for redeployment by its twenty-first century denizens,
having hopefully learned from the ill-fated, urban renewal-related decisions of the
twentieth century. By the mid-nineteenth century, most areas of Philadelphia were “a
jumble of occupations, classes, shops, homes, immigrants, and native Americans.”²⁰ In
other words, diversity was baked into the very idea of Philadelphia. But by the 1930s,
the “disfavored racial and ethnic groups were crowded into those areas of old housing
and low-paying industries” and the consequences of such segregation were heavy, with
the middle class seeing the “combination of privacy, police, and toleration which must
exist in mixed neighborhoods as a burden.”²¹

But the trends today are different. A diverse city is seen as a dynamic city, and
the way many Americans experience or want to experience the city has broadened. The
definition of family has expanded; the workplace has changed; car ownership is going
down; our associations have become more diverse. We can get there again. Some needs
for our cities have not changed, including our desire for social connection; the need for
freedom of movement and association; and the quest for urban landscapes that speak
to the history of a place. Preservation can fulfill such needs when it comes to achieving

the goals of the land bank.

Alexis de Toqueville in *Democracy in America* observed that it is social groups and civic associations that fuel American democracy’s grassroots power. There can be a positive tension in a city when communities have the room and ability to organize democratically for their own benefit. It is imperative that in a city with the challenging administrative and regulatory heritage imposed by councilmanic prerogative, that the subdivisions created by such a structure have loud voices within them and that they work with elected officials to keep city officials and agencies accountable to the people they are tasked with representing. The Philadelphia Land Bank needs many and diverse partners in order to meet its goals, and local preservationists should absolutely be a part of its mission. Chapter 2 of this thesis will discuss some of the initiatives that land banks in other states are taking on vis-à-vis preservation, and the techniques and policies they are deploying.

Making the Case for Preservation

The term “historic preservation” is the one that is typically used to describe the movement to understand the relationship between our past and the built environment. Historic preservation is the name given to the field that focuses primarily, but not exclusively, on the built environment. Specifically, it is most often manifest at the intersection of architecture and history. This is the domain of the Philadelphia Land Bank, at least insomuch as existing building inventory is concerned. However, the term
“historic preservation” is problematic for a discussion of the land bank’s potential to redevelop existing, older properties, or to be a conduit for redevelopment. This thesis will use the term preservation to address the ways in which older properties have both tangible and intangible value and how their significance is worthy of exploration and incorporation into urban revitalization efforts. Identifying significance is the basis of practical preservation measures.

Embedding preservation into land bank strategies and philosophies will ultimately come down to leadership and relationship building among diverse, and perhaps ostensibly, divergent partners, so that a dynamic interaction of engaged people with similar goals yet different angles will yield to a new way to learn about and react to the built environment. All partners should strive for the shared goals of revitalized properties and economically and sustainably sound neighborhoods. Those partners must come together in good faith to see the role each plays in getting there, and why those roles are important. The Philadelphia Land Bank explicitly identifies a goal of neighborhood revitalization in its Strategic Plan. Such inclusion promises a more holistic approach to development, although this will be challenging, since property acquisition is often piecemeal.

For those who do not explicitly practice it, or consider themselves part of the movement, preservation is often thought of in the abstract. It is generally seen as a good goal, but not connected in many people’s minds to the work of bringing neighborhoods back to life unless there is an identified building of social or architectural significance – a “landmark.” Yet using historic buildings as the foundation for renewal is
a time-honored practice.

Preservationists are too often seen by outsiders as characters akin to antiquarians who want to freeze cities in time and save primarily the grand architectural expressions of a by-gone era. While saving and celebrating the higher aesthetic legacy of our cities is a worthy cause, this perspective on the work of preservationists not only reflects a small part of what preservationists do, but is also tinged with an elitism that can keep new allies at a distance. Such an outdated notion of historic preservation does not help. Ned Kaufman believes that “the utter incomprehension or distrust with which many view historic preservation as something irrelevant or even harmful” is too widespread and damaging.22

The reality is that preservationists want to assist in the management of change, not try to stop it. Most preservationists understand that a mix of styles and eras in the built environment, including those that are contemporary, can make cities and their neighborhoods dynamic and desirable, and can be catalysts for economically viable development. This is precisely why it is curious to encounter developers who see themselves as partners with a seat at the table when discussing urban regeneration issues, while at the same time seeing preservationists as having to earn their way to the table. There is an inherent hostility in such a point of view, and it is this hostility to the role preservation can play in the process that could mean the difference in outcomes that go beyond developer profits to having streetscapes and neighborhoods that pull in

more and diverse stakeholders - those who speak to the strengths of our constructed
past (older buildings are strong and sustainable, with better materials and
craftsmanship), as well as to the diverse stories that different neighborhoods tell. It is at
this intersection of architectural expression and sociocultural values where
preservationists have the greatest ability to offer help and advocate for positive change.

Indeed, echoes can still be heard today of the 1975 debate between Herbert
Gans, an urban sociologist, and Ada Louise Huxtable, an architecture critic, in the pages
of the New York Times, as they engaged in what could be called the “great buildings”
debate. Gans criticized the New York Landmarks Preservation Commission for its focus
on designating stately mansions and other high aesthetic venues of the rich and
powerful. He viewed their positions as ignoring the landscapes of the ordinary citizen
and thus, contributing to the inequity in perceptions of which New Yorker’s lives
mattered more. Huxtable defended the Commission, explaining that the architectural
relics of moneyed patrons were important expressions of civilization and worthy of the
canon of American architecture. The crux of Gans’ argument was that the presence of
public funds alters the argument. In other words, “when preservation becomes a public
act, it must attend to everyone’s past.” This was a cry for comprehensive social, or
public, history to be more embedded in preservation practices. Though Huxtable and
Gans never found common ground on this issue, they shared a concern that public
memory was lost no matter what buildings were demolished and whose urban

23 Herbert J. Gans, “Elite Architecture and the Landmarks Preservation Commission: A
landscape was affected.\textsuperscript{24}

The point about public funds being in use is a key one. Section 1 of the National Historic Preservation Act of 1966 (16 USC 470) says that Congress finds and declares that “the historical and cultural foundations of the Nation should be preserved as a living part of our community life and development in order to give a sense of orientation to the American people” and that “the preservation of this irreplaceable heritage is in the public interest so that its vital legacy of cultural, educational, aesthetic, inspirational, economic, and energy benefits will be maintained and enriched for future generations of Americans.”\textsuperscript{25}

With this act, Congress established a program to preserve the historical and cultural foundations of the nation as a living part of community life. Section 106 of the NHPA requires the consideration of historic preservation in projects across the nation that are undertaken with federal involvement. It encourages preservation without making it a mandate, factoring in preservation values and requiring responsibility for the consequences of projects and public accountability for decisions. Federal agencies, or other organizations receiving federal funds, such as local housing authorities, are required to undertake Section 106 reviews to establish if the project has an adverse, or harmful, effect, either directly or indirectly. The review typically ends with an agreement


\textsuperscript{25} Section 1 (b), (2) & (4), National Historic Preservation Act, Pub. L. No. 89-665, as amended by Pub. L. No. 96-515.
that the agency will avoid, minimize, or mitigate the adverse effects.\textsuperscript{26} As a Certified Local Government (CLG) under the NHPA, the City of Philadelphia has entered memoranda of agreement with the Advisory Council on Historic Preservation, the State Historic Preservation Office (SHPO) in Harrisburg, the US Department of Housing and Urban Development, and the Federal Highway Administration to expedite 106 by having the Philadelphia Historical Commission perform 106 review for many projects by these agencies.\textsuperscript{27}

Preservation has been found by the US Supreme Court, as well as by lower courts, to be a public good. Beginning with \textit{US v. Gettysburg Electric Railway Company} in 1896, the Court unanimously agreed that historic preservation – in this case, the historic Civil War battlefield – was a legitimate use of the government’s police power. This idea was reinforced by the decision in 1978’s \textit{Penn Central Transportation Co. v. New York City}. Rulings since then have reinforced the three-part balancing test set up by \textit{Penn Central}: 1) how much of the value of the property has been destroyed by the regulation; 2) is the owner being deprived of a “reasonable rate of return”; and 3) does the regulation provide a broad public benefit? Subsequent rulings to \textit{Penn Central} underscore the recognition that it is economic and not legal issues that most greatly challenge historic preservation laws. Time and again, preservation has been seen by the courts to necessarily uphold the tenants of the 1966 NHPA.

The *Penn Central* case also touches on the idea of beauty in the urban environment. The ruling in the case protected the decorative, high style, Beaux-Arts Grand Central Terminal from becoming a plinth for a 55-story glass office tower, and reassured many New Yorkers that they have a right not only to their history in the built landscape, but also beauty. Beauty is a tricky concept, entirely subjective in detail, but something to which everyone who lives in a city should be heir. The highly regarded, aesthetically grand buildings of our cities will more often than not find defendants from all walks of life. Yet neighborhoods replete with vacancy in the form of unmaintained and ordinary buildings deserve beauty, too. It is a matter of equity. The contrast between Center City and Sharswood, for example, is great at the urban level, but despite (and perhaps precisely because of) huge disparities in income and race, the residents of both neighborhoods deserve beauty and have great stories to tell, albeit on different scales. Beauty and history in a neighborhood is inspirational, and tethers a resident to a larger narrative, placing this inheritance within the imperatives of urban democracy. A cleaned up vacant lot, a repaired sidewalk, the inclusion of community gathering spaces be they shops, cafes or gardens, go a very long way in reinforcing the value of the residents to a city. “A city should be a place with such beauty and order that it is inspirational. A key component of urban design is a belief in the value of the public realm, which every citizen owns,” said former Charleston Mayor Joseph P. Riley, Jr.28

The work of preservation advocates in Philadelphia today has begun to expand

from not only identifying and advocating for the protection of individual noteworthy buildings to include the more proactive, neighborhood-based process of identifying sites of broader and more inclusive cultural importance. In fact, the revelation in August 2016 of a developer’s intent to demolish part of Philadelphia’s Jewelers Row, the oldest diamond district in the country, in order to build a luxury residential tower has galvanized preservationists and others who would more readily fall into the pro-development camp. The fate of this charming, human-scaled, commercial ecosystem in the shadows of Independence Hall could well be the turning point for preservation in Philadelphia to receive the long overdue attention it needs.

There are three major fronts on which the case for preservation can be made for inclusion in Philadelphia Land Bank policies and procedures. These are 1) Sustainability; 2) Economics; 3) Cultural Heritage. As of the writing of this thesis, the majority of the holdings of the Philadelphia Land Bank are vacant parcels. With at least 32,000 vacant structures identified throughout the city, there will most likely come a time when the land bank has a majority of vacant buildings as opposed to vacant parcels. It is at this intersection of vacancy in the built environment and that of land bank acquisition where preservation can have an enormous impact.

**Sustainability**

Preservationists are fond of saying that the greenest building is the one that has

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already been built. Yet this has not translated into erasing the boundaries between preservation and sustainability efforts when it comes to architecture and the built environment. Preservation should be seen as a crucial component in fighting climate change, in diminishing solid waste in overburdened landfills, and in recalibrating our relationship to non-renewable resources. As Richard Moe, past president of the National Trust for Historic Preservation said, “it makes no sense for us to recycle newsprint and bottles and aluminum cans while we’re throwing away entire buildings, or even entire neighborhoods. This pattern of development is fiscally irresponsible, environmentally disastrous, and ultimately unsustainable.”

City Council in Portland, Oregon, recently passed a resolution banning the demolition of houses built before 1916 in favor of their deconstruction. According to the Office of the Mayor, 20% of landfill waste comes from construction and demolition material and that reusing materials helps “reduce air pollution” and “helps the city meet its carbon reduction goals,” besides reducing solid waste. Philadelphia’s Office of Sustainability has an action plan called Greenworks Philadelphia that seeks to build upon the 2007 Local Action Plan for Climate Change. Greenworks has set targets, goals, and initiatives through five lenses: Energy, Environment, Equity, Economy, and Engagement.

This could potentially be a point of partnership with the land bank. Its goals were for

2015, and having past that point, the program is ripe for regeneration with the inclusion of goals specific to the appropriate retention of existing buildings, especially those that would fall under the purview of the land bank, as they are the least likely to be seen as worthy of rehabilitation.

Richard Moe states that preservation must be a part of any conversation on sustainability. “I’ll begin with a reminder of what historic preservation is all about. When you strip away the rhetoric, preservation is simply having the good sense to hold on to things that are well designed, that link us with our past in a meaningful way, and that have plenty of good use left in them.” Moe continued by describing what he calls Sustainable Stewardship, or “the retention and reuse of older buildings [as] an effective tool for the responsible, sustainable stewardship of our environmental resources including those that have already been expended. I’m talking about what’s called embodied energy.”

Embodied energy is a crucial concept to understand and explicitly address in any practice that could include demolition of buildings as a strategy for progress. All building materials took energy to grow, extract, process, transport, then assemble. According to a May 2016 report by the World Economic Forum, *Shaping the Future of Construction: A Breakthrough in Mindset and Technology*, the greatest consumer of raw materials is the construction industry. Moreover, it takes energy to operate buildings. When buildings

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33 Ibid.
are demolished, that energy, all of it, is lost and wasted. Moe makes the following startling points:34

- According to the Advisory Council on Historic Preservation, 8 billion BTUs of energy are embodied in a typical 50,000 square foot commercial building. That is the equivalent of 640,000 gallons of gasoline.
- Demolishing the same 50,000 square foot building would create nearly 4,000 tons of waste. That’s enough debris to fill 26 railroad boxcars – that’s a train nearly a quarter of a mile long, headed for a landfill that is already almost full.
- Constructing a new 50,000 square foot commercial building releases about the same amount of carbon into the atmosphere as driving a car 2.8 million miles.
- The energy used in demolishing an older building and replacing it is not quickly recovered through the increased energy efficiency of the new building. Recent research indicates that even if 40% of the materials are recycled, it takes approximately 65 years for a green, energy-efficient new office building to recover the energy lost in demolishing an existing building. That is longer than the lifespan of most new buildings.

There is a curious myth about how older buildings perform that has gained traction among some, but that should be put to bed. The myth is that for buildings over a certain age, the axis of cost benefits shears the arc of value, or in other words, the energy savings disappear. The truth is much different. According to the US Energy Information Administration, “commercial buildings constructed before 1920 use less energy, per square foot, than buildings from any subsequent decade of construction. The comparative advantage of some older buildings can be explained by the original building design, form, massing, and materials, as well as the window-to-wall ratio, limited installed equipment, or occupant density.”

According to the Healthy Rowhouse Project, the deterioration of rowhouses is happening faster than they can be maintained. Philadelphia’s building stock includes much more than the rowhouse archetype, but with its many manifestations in every corner of the city, this diminution is a sign that land banking policies have the potential to service a desperate neighborhood’s needs by alleviating the physical signs of loss and need, viewing empty or underutilized buildings and lots as community assets. By addressing the physical repair of the community, along with other community investment initiatives, the social and economic relationships that undergird any healthy city could begin to heal. This could be an initiative that could involve many types of

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people: residents; developers; the building and construction industry; and local groups such as churches, schools and community organizations, not least of which would be preservation groups.

The definition of sustainability has also broadened beyond energy or resource-based concerns. There is a global momentum in the study and understanding of the impact of developmental decision-making. The definitions now reach beyond the tangible effects of urban development, but also on the equally important components of culture and society. The European Commission in 2015 released a report detailing a “four pillar approach” to sustainability: the economic, social, cultural, and environmental impacts to heritage conservation.37

The bottom line is that preservation and sustainability are intertwined. The Philadelphia Land Bank has an opportunity to align its mission with those of local environmentalists as well as preservationists. Landfill reduction, clean air initiatives, carbon reduction, renewable resources – these are all positive outcomes from the alignment of preservation with land bank activity. The land bank therefore should prioritize the rehabilitation of existing structures to the greatest extent possible, either through initiatives that directly address the restoration of existing buildings, or in them being mothballed until plans can be made for them. In extreme cases where limited structural integrity exists, then the selective demolition of materials should be

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mandated. The reuse of existing materials, especially old growth lumber that is sold at a premium and almost never for new construction, should be prioritized.

Economics

When it comes to land bank holdings, it is helpful to remember that real estate is often viewed as a tradable quanta of real property.\textsuperscript{38} It is seen as a quantifiable entry on a spreadsheet, flexible only to the extent that market forces, taxing entities, and government policies change its settings. For too long historic preservation has been “out of step with established appraisal theory, which has been focused on new construction as the standard against which all properties were measured.”\textsuperscript{39} But this is changing as the costs and benefits of historic properties becomes better understood and more widely addressed. As the preeminent economist John Kenneth Galbraith wrote, “the preservation movement has one great curiosity. There is never retrospective controversy or regret. Preservationists are the only people in the world who are invariably confirmed in their wisdom after the fact.”\textsuperscript{40}

There are different criteria for establishing value when it comes to historic or older properties. These can include whether or not the building has any designations or is eligible for such, whether this is for the building individually, or within an established

or potential local or national historic district; whether the property is eligible for historic
rehabilitation tax credits or grants; whether the property could benefit from inclusion in
heritage tourism; or whether or not the property is encumbered by a preservation or
conservation easement. But mostly, the main question is to ask what kind of
rehabilitation and operating costs an older building could require as part of the analysis
of whether or not rehabilitation should go forward.

When it comes to the holdings of the land bank, the discussion centers around,
by and large, properties that do not have historic designations and are most likely not
eligible for such. These are properties that are demonstrative of the hardest values to
understand in a heritage context; they are mostly vernacular and ordinary. Yet, these
buildings could form the basis for neighborhood revitalization in a more immediately
necessary way than the high-style or high-aesthetic, “grand” buildings. Especially if a
large percentage of Philadelphia’s vacant buildings are residential, there is an obvious
and direct route to helping to address affordable housing inventory shortfalls with the
holdings of the land bank.

The reuse of existing buildings must first be analyzed for structural stability. This
is often one of the first arguments against the rehabilitation of older structures, even
though actual structural analysis from professionals knowledgeable about preservation
is rarely employed. It is too often assumed that older buildings are structurally unstable
and therefore prime candidates for the wrecking ball. Demolition, however, seems too
often the excuse used by those who see redevelopment only from the perspective of
literally wiping the slate clean and starting over. The arguments against such an action
have roots in sustainability, but the economic angle should be understood as well. It is not always cheaper to demolish and start over. The costs of demolition and new construction may initially seem to outweigh the costs of rehabilitation, but the analysis of a spreadsheet rarely takes other interests into cost considerations.

What is the cost to the environment to send valuable raw materials into the landfill? Too high is the response from many quarters. What is the cost to a community when structures that are the sites of public and social history are removed? This is not just an emotional argument, but one grounded in the ability of a community to recover economically when historic buildings and urban fabric is removed. J. Myrick Howard, the executive director of Preservation North Carolina, says that when he hears that rehabilitation is more expensive than new construction, he responds with a panoply of questions: are the design and construction team experienced in restoration? Is the plaster, a superior building material, being torn out for drywall, a cheaper and less durable one? Are windows and doors being replaced, and if so, why? There are numerous buildings with double-glazed windows whose vacuum seals have failed after less than a decade, thereby eliminating any energy advantage.41

Howard goes on to explain that fundamentally, successful preservation efforts are most often an exercise in dealing with real estate professionals because when a building is endangered, the problem relates to its owners or its use, not the building

itself.\textsuperscript{42} This is a crucial perspective to remember with the land bank that is often positioned as the animal shelter for endangered buildings and sites. It’s not the dog’s or the building’s fault they are in the state they’re in, and a little tender loving care is what may be needed in both cases. Society has already determined that it is worth the effort in the case of animals; we have not yet all arrived at the same conclusion with regards to buildings.

A helpful definition of preservation in an economics framework comes from Donovan Rypkema, principal of PlaceEconomics, a Washington, DC-based firm that measures the economic impacts of historic preservation: “the careful management of a community’s historic resources; avoidance of wasted resources by careful planning and use; the thrifty use of those resources. To use or manage those historic resources with thrift or prudence; to avoid their waste or needless expenditure; to reduce expenses through the use of those historic resources.”\textsuperscript{43} Such a definition gives permission to city governments and other organizations to claim fiscal responsibility. This is in stark contrast to many developers’ point of view of preservation as an unaffordable luxury.

There are several situations in which preservation can be an important way to demonstrate economic viability. According to Rypkema, these include, but are not limited to, public entities choosing between building a new structure or rehabilitating an existing facility; a neighborhood or downtown revitalization program being proposed or


developed; a comprehensive plan or zoning ordinance being adopted or revised; or a housing policy being developed.

Preservation not only creates jobs, it also has a significance and impact beyond the construction phase. In 1998, the Preservation Alliance of Greater Philadelphia commissioned a study that claimed “Philadelphia needs jobs. Economic development can be about business recruitment or increasing the tax base or industrial retention, but in the end it’s all about jobs. As it turns out, one of the most powerful impacts of preservation in Philadelphia is the jobs it creates.”44 Preservation is labor intensive, requiring a host of craftspersons and tradespeople, some of whom have a niche focus, and most of whom will be found locally. As rehabilitations grow in number, more tradespeople will need to be trained in what are specific skills, growing the number of qualified construction workers exponentially. It seems patently clear that the Philadelphia Land Bank’s disposition policies could benefit from the inclusion of preservation as a way to get buildings back into productive use and regenerate the local economy.

Cultural Heritage

One of the strengths of preservation is the number of diverse partners it has. Preservation signifies the different values of every stripe of person. African Americans, Colonial Dames, environmentalists, Native Americans, the LGBTQ community, religious

people, urban planners, musicians, tourists, Latinos, artists, in fact, Philadelphians of every stripe: all can be found among preservation stakeholders. The broad community is already in place.

Preservation is currently in the midst of broadening its scope from the protection of architecturally important buildings to that of culturally important landscapes. Just as preservation has become an important part of community reinvestment, now preservationists are being included in conversations pertaining to community and neighborhood revitalization, heritage tourism, affordable housing, and a host of other community issues.

Preservationists quickly conclude that preservation is most powerful as a tool for building community because of this big tent approach. Preservation can be common ground in our increasingly segmented society, a way to tell the many layers of story that inhabit a particular place. Saving a resource means that its stories can still be told. Destroying that same resource means that the particularity of its place in history and meaning to particular groups of people is lost forever, and therefore its value as a sustainable quantity and a trigger for economic development and community revitalization is gone. As Howard explains, “when older buildings survive, so does a community’s sense of history and identity. A capable preservation organization can help

guide a community away from the Faustian dilemma of having to sell one’s soul for short-term profit.”

Story doesn’t just live in people’s minds, it is present in and triggered by the built environment. Our urban landscapes form what architectural theorist Marco Frascari called memory theatres. Buildings and spaces form the scenic backdrop to our lives. To retain what may seem to be a nondescript vacant building or blighted neighborhood is actually to invest in the value of that place to the people who call it home. It becomes an investment in the worth of a community. Take, for example, the story that emerged in August 2016 of two small businessmen on Philadelphia’s historic Jewelers’ Row: one is an Armenian from Syria, the other is an Israeli Jew. They fought on opposing sides of the Six Days’ War, and today as old men, share wine and watermelon on the sidewalk outside of their shops. These shops are in nineteenth century buildings that built, for example, by a publishing firm that was initially funded by the Marquis de Lafayette. This incredible string of history is one of many similar, fascinating tales in Philadelphia and it is precisely this thread of continuity that preservation seeks to recover and uphold.

There is also the issue of equity in decisions that are made by the land bank. As Ned Kaufman proffers, “the issue about places is not simply whether change or stability is better, though that is how the media and politicians generally cast it (in the process usually slighting the arguments for stability). Rather, it is fundamentally a question of power and equity: of who gets to choose. Most people have little control over the fate of places they care about, whereas, by contrast, a few people – all too often outsiders – have the power to disrupt everything, sometimes ordering unwanted change, sometimes blocking desired improvement. The situation is manifestly unfair, and it suits the interests of the powerful few to downplay the value of place affection and stewardship.”

This division in the way cities and communities view the same place can be bridged by the land bank with the inclusion of community partners. The convergence of a multitude of partners around issues of vacancy and preservation can yield dynamic, responsible, and affirming results to the larger goal of revitalizing our neighborhoods.

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Chapter 2


Of a handful of states with state enabling legislation for land banks, four will be examined here for lessons learned in terms of both challenges to the incorporation of preservation and best practices of doing so. Michigan, Ohio, Georgia, and New York all have such legislation and several land bank authorities within their states, and of course, all states have active, nonprofit preservation advocacy groups as well as state historic preservation offices, as per the NHPA of 1966. The former two states, in particular, which offer a fuller portrait of land bank processes and preservation, may be a useful tool, either through example or omission, and mostly due to their age. Michigan and Ohio are the states with the oldest and most sophisticated land bank practices right now, which is not necessarily to say that they are the prime examples of how land banks can most successfully integrate preservation. Newburgh, a town in New York’s Hudson River Valley, has a land bank and a National Register district of 2,200 buildings, and is also the location of several vacant or abandoned properties due to postindustrial disinvestment. It can therefore provide lessons on how land banking works well with preservation, especially within the context of both a review process and the access to federal rehabilitation tax credits that National Register status brings to a community. Additionally, in Macon, Georgia, the local land bank authority is a formal partner with Historic Macon, the local nonprofit preservation advocacy organization; together with other partners they have been successful
in rehabilitating existing properties and preserving existing historic resources in such a way as to receive positive national attention.

According to the Center for Community Progress (CCP), a Flint, Michigan-based national nonprofit founded in 2010 that is dedicated to finding solutions for blight and vacancy, the genealogy of land banking across the US has had several phases. The first generation of land banks began with St. Louis, Cleveland, Louisville, and Atlanta. From the creation of the St. Louis Land Bank (1971) to the state enabling legislation in Ohio that allowed for the establishment of the Cleveland Land Bank (1976), the movement to use land banks as a tool to address blight and vacancy through governmental agreement continued in Louisville (1989) and Atlanta (1991). Building on the successes and lessons learned from the first round of land banks, the second generation finds expression in Genesee County & Michigan (2002) and Cuyahoga County & Ohio (2008). Flint is in Genesee County, and Cleveland is in Cuyahoga County; the land banks in these localities are regarded as two of the strongest land banks in the nation. The legislative reforms made in Michigan and Ohio laid the foundation for the third generation of land banks, including New York and Georgia (2011) and Pennsylvania (2012). This third generation legislation is meant to provide clarity and greater simplicity in interpretation and application. This progressive and responsive updating and fine tuning of land bank policies shows that it is possible and desirable to include new information and approaches as needed. This is the kind of flexibility and responsiveness that land banks should have. They are therefore well primed to include preservation ideas.
Case Study No. 1: Michigan, Dancing with Rightsizing

Michigan was the first state to sponsor legislation enabling the creation of municipal land bank authorities. Public Act 258 of 2003 was created in response to what local governments saw as the ineffectiveness of Michigan’s tax foreclosure law on abandoned properties, since those local municipalities “did not have the authority to effectively manage tax-reverted land and prevent blight.”\(^{50}\) Known as the Land Bank Fast Track Legislation, Public Act 258 was signed into law in January 2004 to “provide communities with better legal and financial tools to put vacant and abandoned properties back into productive use.”\(^{51}\) Michigan’s resulting land banking legislation is considered by planners to be among the most progressive in the nation.\(^{52}\)

Genesee County’s seat is Flint, a city of 100,000 people, down from its height of 200,000 people in 1960 at the peak of the city’s prosperity. The second largest city in Michigan in the 1960s, the city’s identity and economic base were dominated by the auto industry. Subsequent deindustrialization and disinvestment created a loss of jobs and a stream of ‘white flight’ that devastated the city, resulting in crime, unemployment, and poverty. Its municipal land bank was created in 2004, in order to combat the overwhelming amount of vacancy in and around the city of Flint. This came

\(^{50}\) Jessica de Wit, “Revitalizing Blighted Communities with Land Banks,” \textit{http://www.umich.edu/~econdev/landbank/}

\(^{51}\) Amy Brooks; Demetria Collins; Barbara Eichmuller; Melissa Tintocalis; Simon van Leeuwen, “Harnessing Community Assets: A Detroit Land Bank Authority”, Taubman College of Architecture & Urban Planning, University of Michigan, April, 2004.

two years after the state’s intergovernmental cooperation statutes allowed for the creation of the Genesee County Land Reutilization Corporation (GCLRC) as an emergency stopgap measure to begin to take control of problem properties until a statewide legislative response to vacancy and its threat to neighborhood stability could be established. The Genesee County Land Bank has, since 2004, been granted the special powers, now standard to land banks, to overcome the financial and legal barriers that would ordinarily discourage private investment in neglected properties.

However, as detailed and expansive as the explanations and discussions are regarding Michigan’s land banks, there is no explicit inclusion of preservation in the state legislation or agency by-laws. As with all other states with land banks, preservation partnerships, collaborations, or policies do not explicitly make their way into the structure of the land bank authority. Where preservation occurs, it is done through partnerships that have evolved with state level nonprofit advocacy organizations such as the Michigan Historic Preservation Network (MHPN).

For example, MHPN partners with the Detroit Land Bank Authority (DLBA) and the Ingham County Land Bank in Lansing. As the Executive Director of MHPN, Nancy Finegood, mentioned in a phone interview, Detroit officials have used money in the past for rehabilitation projects, and the two groups have partnered to produce job training and rehabilitation workshops. In addition, for those purchasing a house from DLBA, there is a six-month time frame to receive a Certificate of Occupancy, unless the

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building is on the National Register or in a designated district, in which case that time frame increases to nine months. This provision demonstrates an understanding that historic or older properties need more time to be untangled.

As long as MHPN has been an official community partner with the land bank in Detroit, they’ve been enabled to purchase historic houses at a discount. Area nonprofits and community development organizations can become community partners of the DLBA through the Community Partner Program, in recognition of the power of a holistic approach to solving many of the same problems from several angles.\(^5\) In Ingham County, MHPN has partnered with groups representing under- or unemployed people to get jobs training. The benefits to such a program are exponential; as more historic properties are proposed for rehabilitation and more people are trained to work on these properties, skilled especially in the particularities of working on historic buildings, there is an ever increasing labor pool that can address an influx of historic or older properties through their restoration.

According to Finegood, MHPN has sold its inventory of land bank houses with protective covenants - not easements - and it worked with Preservation Lansing, which collaborates with the new owner to educate them on the integrity of the house and help monitor it. This process ensures stability instead of speculative development. The Ingham County Land Bank even takes their latest inventories to Preservation Lansing on a regular basis for discussions about the significance of current holdings, and for advice on possible development opportunities. This is an excellent initiative that helps the land

\(^5\) [http://www.buildingdetroit.org/community-partnership-overview/](http://www.buildingdetroit.org/community-partnership-overview/)
bank take a full accounting of older or historic buildings, identified as eligible for historic
designation, that may pass through their agency, allowing them the time to focus their
resources on such properties. In general, historic properties need more time and
attention than other properties to be properly analyzed, assessed, and restored,
therefore a system that is structured to acknowledge this need for time is an
appropriate one, and beneficial for the retention of an area’s historic resources.

This attention to historic properties is done in a context of not having citywide
historic resource surveys that could be overlaid with land bank property maps. In
Detroit, a survey of all National Register or National Register-eligible districts was
undertaken in 2014. An army of professional volunteers took six weeks to complete this
survey in the middle of a Michigan winter. A local company created an app into which
14,000 properties could be entered. These properties were then cross-referenced
against every property recorded by the Detroit Blight Authority. MHPN and the land
bank were both involved and able to use the information. The success rate was
astronomical; only eight properties had any conflict. The survey worked well and was a
convincing tool for all parties because it provided a quantitative set of data instead of
relying on anecdotal information, a better path forward for non-preservationists.

The Ingham County Land Bank took on another training initiative by focusing on
two houses in its inventory, and using them each as a site for training people in
preservation construction skills. This was done in partnership with the local community
college. As Finegood says, “so much depends on land bank leadership and what their ethic is about preservation.”

Case Study No. 2: Ohio, Positive Partnerships

With 34 county land banks, Ohio has the second largest number of land bank authorities in the nation, after Michigan’s 38. Although the Cleveland Land Bank was created in 1976, in response to the dire circumstances of neighborhoods across the city in the aftermath of deindustrialization and disinvestment in the city, state enabling legislation was not created until 2008. This legislation allowed other municipalities across the state to create their own local land bank authorities, better positioned to address the particular circumstances that each one faces.

Senate Bill 353 of the 127th General Assembly (2009) states its purposes as “promoting development and managing and facilitating the reclamation, rehabilitation, and reutilization of vacant, abandoned, tax-foreclosed, or other real property.” So language does exist to directly address the reuse of existing properties. The powers of land banks include those “to make loans; to issue bonds for public infrastructure improvements; and to acquire or manage improved or unimproved and underutilized real estate for the purpose of constructing industrial plants, business establishments, or housing to increase utilization of real estate.” Further, the bill addresses that, in

56 Legislative Services Commission, Senate Bill 353 As Passed. Effective April 7, 2009.
relationship with local governments, land banks can “act as the agent of a municipal corporation to remove or repair nuisance buildings.” It is reassuring that language exists in the state enabling legislation to further reuse of existing structures, but as demonstrated in both Cleveland and Cincinnati, local leadership is key to understanding different outcomes.

In Cuyahoga County (Cleveland), in 2010, two of the nation’s prominent land bank proponents came together to use federal funds in the service of blight removal - Jim Rokakis of the Thriving Communities Institute, a program within the private, nonprofit Western Reserve Land Conservancy, and US Representative Dan Kildee, formerly Genesee County Treasurer and in 2010, Executive Director of the Center for Community Progress. In that year, the US Treasury unveiled the Hardest Hit Fund, a program to use repayments to the Troubled Asset Relief Program (TARP) to provide targeted aid to families in states his hard by the economic and housing market downturn. Federal funds normally trigger a Section 106 review when historically designated or eligible properties are involved. However, according to Kathleen Crowther, the Executive Director of the Cleveland Restoration Society, that did not happen in Ohio. However, there is an agreement that land banks in Ohio will not tear down National Register listed or eligible properties.

According to Crowther, the Hardest Hit Fund was designed to benefit individual homeowners in trouble after the 2007-08 foreclosure crisis, but money was diverted within the system to filter down to communities, mostly through state housing agencies to land banks. The goal was ostensibly foreclosure prevention and neighborhood
stabilization, yet blight removal in the form of demolition became the result in many cases. It is curious that the issuance of federal funds to the local level did not seem to trigger a Section 106 review.

Typically, the types of buildings that are removed are those with unsurprising outward appearances: trashed, open windows, generally unappealing. Yet, according to Crowther, 90% of these buildings are structurally sound. If that is the case, and even though many of these buildings are not on or eligible for historic districts, then a legitimate question to ask is why these buildings are not mothballed as shells? It would be a way to spend good money after bad, yet there is too often a gulf of perspective between land banks and preservationists. The land banks too often don’t see a market for these houses, they see the marketplace as having too many houses and not enough buyers; if there are no buyers, then the removal of inventory is assumed to be justified to help the local economy. The land bank’s impulse is to generate large, cleared parcels. Older houses in particular are seen as obsolete, with out of date floor plans, or too “chopped up” with interior walls that don’t respond to current trend preferences for open floor plans, although such perspectives don’t actually align with market preferences.

Crowther mentioned that city services are also part of the larger perspective when we talked about older neighborhoods in cities with limited resources and widespread need. She said that it is a no-win situation for city planning departments operating in the midst of a “rightsizing” context, to designate additional buildings and neighborhoods as historic - rightsizing being a new proposal to strategically recalibrate
neighborhoods in older or legacy cities. Of course, rightsizing in practice can mean different things to different people, and in cities with tight budgets there is no market for abstract terms such as “cultural landscapes” or “collective memory.” With extremely limited time or financial resources, there is hardly any incentive to designate historic districts or sites.

In Cincinnati, Margo Warminski is the Executive Director of the Cincinnati Preservation Association (CPA) and in her work with the local land bank, is providing one of the brightest examples of the alignment of preservation and vacancy issues. In a telephone interview, she spoke about the excellent relationship she has had with the land bank since its inception.57 In 2012, when that land bank, the Hamilton County Land Reutilization Corporation (HCLRC), was established, there were “so many vacant or derelict properties.” Dan Kildee, previously of the Genesee County (MI) Land Bank, visited with the HCLRC that year and made an enormous impact on the land bank officials when he spoke to them about the great historic buildings in the city. To the land bank’s credit, their leadership sees these buildings as assets. The stated goals on HCLRC’s website include “to promote and facilitate the reclamation, rehabilitation, and reutilization” of real property, and “to efficiently hold and manage” such.58

In demonstration of their preservation-friendly goals, the first building the land bank took title to was a theatre. Talk about starting with a bang. The land bank leadership realized that capital would be a while coming, but they took on the project

57 Margo Warminski, Preservation Director, Cincinnati Preservation Association, telephone interview with author, April 27, 2016.
58 Ibid.
anyway. HCLRC has also taken on a number of buildings in historic districts with both national and local levels of designation. No federal funds are involved, so there is no Section 106 process that kicks in, but both commercial and residential structures are used. According to Warminski, the land bank is “wasting potential with just broken or vacant lots.” HCLRC has programs to encourage creative reuse of vacant land through community greening initiatives and the conveyance of vacant parcels to adjacent property owners.

Warminski meets quarterly with the land bank in order to suggest candidates for their attention. Together, they rate the candidates according to criteria such as local support, architecture, how long a building has stood vacant. HCLRC and its allies can attest to stabilization being cheaper than demolition, but such a concept is a tough sell for non-preservationists as it has been engrained for years that demolition is cheaper. The quick ease of demolition – knock it down, cart it away - seems to masquerade the financial and resource-wasteful qualities to the process. Nevertheless, on the land bank’s website, under the rubric of Blight and Nuisance Abatement, the HCLRC says it “is cognizant of Hamilton County’s valuable historic building stock and will facilitate the preservation of contributing historic structures.”

One of the ways the Cincinnati Preservation Association has been able to keep its good relationship with Hamilton County’s land bank is by making sure that good efforts vis-à-vis preservation are rewarded, or providing a carrot in place of a stick that is

typically associated with preservation regulations. The Preservation Association has formally supported and celebrated the preservation efforts of the HCLRC by bestowing preservation awards on the organization in a very public move to strengthen the working relationship and reinforce the mutual goals of both groups.

There has been reciprocity from the land bank toward CPA through supportive press releases, and most encouragingly, through the inception of an innovative Historic Structure Stabilization Program. Through an ethic of “conservation-conscious decision making” at the HCLRC, this program began earlier this year and is the clearest legislation yet that specifically intertwines the work of the land bank with preservation goals and has had a positive impact in historic neighborhoods. Recognizing that HCLRC is uniquely situated to “facilitate historic preservation within Hamilton County” and that “HCLRC can assist in stabilizing important, vacant historic buildings in order to preserve these structures for future re-use and redevelopment,” the land bank set aside 10% of its funding for the stabilization of historic structures.

In the minutes of the January 2016 meeting of the HCLRC, a report summarizing four of the land bank’s stabilizations under the Historic Building Stabilization Program was reviewed. It was revealed that the land bank has been in conversation with a local nonprofit development corporation regarding properties they own that are eligible for the program, and that additional properties were identified for the land bank’s program. Having multiple partners with mutual and overlapping goals with a place at the table is a

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proactive and open way to discuss and forward the larger goals of neighborhood revitalization. According to the minutes, the resolution to continue the stabilization program for historic structures is for “qualified stabilization and rehabilitation, environmental assessments, environmental remediation, contract and program compliance reviews, and all other related expenses.”61

Further, the HCLRC has a Focus Neighborhood Strategy in which they chose 14 different neighborhoods throughout the county. Included in the factors considered in selecting each community was not just the number of foreclosures or code violations, but also the educational and historic resources as well as community engagement and the capacity of a lead community-based organization. These final two criteria indicate the possibility of the elevation of significance, a key preservation component, to be identified through the very people who live in a particular neighborhood. Community engagement is crucial in any plan for neighborhood revitalization and it is the community who must tell preservationists what the narrative of the neighborhood can be in order to reach the neighborhood’s highest and best use.

In March of 2016, the Preservation Association was the recipient of a $15,000 grant from the 1772 Foundation62 to study how to begin a historic properties redevelopment program. According to the CPA website, “the study will evaluate several options ranging from loans to support redevelopment of historic properties to funds for

62 The 1772 Foundation is based in Newport, Rhode Island, and is a national leader in the field of redevelopment programs for historic properties.
direct investment in CPA lead projects. The study will also evaluate ways to structure a loan program to assist people who want to develop historic properties stabilized by the HCLRC.” According to a press release by the HCLRC, they congratulate CPA on the grant, saying “they are a deserving agency with a long track record of revitalizing the region through stewardship of historic assets. CPA is a great partner to our neighborhood revitalization efforts and we value their continued expertise.”

Working within the context of Cincinnati vacancy is a preservation nonprofit, OTR A.D.O.P.T., which stands for Advancing Derelict and Obsolete Properties Through Transfer in the Over-the-Rhine neighborhood of the city. In contrast to CPA, which is the local preservation advocacy organization, OTR A.D.O.P.T. is a nonprofit that takes title to (through sale and donation) historic buildings that are vacant, abandoned, or are in the midst of demolition by neglect, whether intentional or not. Daniel Klingler is the director of the five year old organization and has a matchmaking approach to rescuing buildings, keeping his operation at a small enough scale so that each potential owner can be personally vetted as a good match for a building. Klingler’s mission is not unlike that of Myrick Howard in North Carolina, seeing his group as an adoption agency for neglected buildings, ready to match them with their future owners and caretakers. He buys properties from the HCLRC as well as sheriff sales and private parties to ensure that historic buildings can be saved from demolition, neglect, or incompatible development.

A city planning program graduate who did his thesis on historic preservation, Klingler’s nonprofit originated when he heard that a historic building was slated for demolition. Instead of protesting or advocating politically, Klingler simply approached
the building owner directly. As it turns out, the building had been a burden on the owner for years; he’d dealt for years with threats from the city for unpaid taxes and in the form of fines. Klingler was able to relatively easily convince the owner to donate the building and take a charitable tax credit, which the owner and Klingler both saw as preferable to paying for demolition.63 The building was saved, the owner found financial relief, and a rescue organization for buildings got its start playing a role in doing what a land bank would do – returning vacant or abandoned properties back to productive use – but in a way that is small-scale, attentive to the potential buyers, and guarantees a more organic revitalization. Klingler keeps “adoption fees” low and works directly with individuals and small developers to meet historic construction standards and help the next owner create the next layer of history and character onto a building. The success of OTR A.D.O.P.T. has now extended beyond the boundaries of Over-the-Rhine into other Cincinnati neighborhoods.

OTR A.D.O.P.T. is also taking advantage of the latest urban trends to reconnect people to historic buildings and neighborhoods while making them modern and relevant to how people live today. One of the organization’s more successful rehabilitations was of a 1870s-era tenement building. This building was brought back to life to include seven rental units, but it was unique in responding to trends in the city’s cycling community. A fully equipped bicycle workstation with bike stands, pumps, and repair tools was included in the rehab. Additionally, the new owners offer tenants half price membership

to the city’s bicycle share program, Cincy Red Bike. Moreover, the building was rehabbed without any parking spots but doesn’t suffer for lack of tenants since more urban residents are doing away with car ownership, particularly among people under the age of 30.64

Case Study No. 3: New York State, Local Leadership

New York passed legislation for local land bank creation in 2011. Article 16 of the New York State Not-for-Profit Corporation law says that land banks are Type C not-for-profit corporations. The language of the legislation includes provisions that create positive settings for preservation to be inserted. One is that, after differentiating between vacant parcels and vacant structures, demolition is called out as a large cost in the context of lost revenue that the land bank is to address. The other mention is in § 1607.(a).(13) “to design, develop, construct, demolish, reconstruct, rehabilitate, renovate, relocate, and otherwise improve real property or rights or interests in real property.” While demolition is called out as an acceptable means to the land banks ends, so are rehabilitation and renovation. This equalizes the opportunities developers and other potential owners have with a land bank property, offering an opportunity for preservationists to be a part of the solution.

According to Erin Tobin, Director of Preservation at the Preservation League of New York State, the leading statewide nonprofit advocacy organization, preservation is

about leadership, and in New York State, it is very locally based. There have been
different outcomes in the cities that have created land banks. In Syracuse, pragmatism
and idealism have gone head to head. In a city with many wood structures, the land
bank has demolished some buildings they should not have. These buildings were
demolished after economic analysis reported that their rehabilitation was not worth it;
a preservationist would say differently, but none were consulted. In Albany there has
not been too much demolition. In Newburgh, local circumstances are different and
there are several components to them.

Newburgh has a large quantity of masonry rowhouses which makes the housing
inventory more like Philadelphia’s than Syracuse’s. The Rural Ulster Preservation CDC is
located there and they are comfortable using federal rehabilitation tax credits. It should
be mentioned that the use of these tax credits means that the properties are being
rehabbed as income-producing properties, not for sale as owner-occupied housing, and
therefore is an excellent and more appropriate model for commercial redevelopment.

There is not much demolition in Newburgh, either; the head of the land bank
sees vacant buildings as a resource. Yet a different leader could easily have a different
perspective. The most influential aspect to the work of the land bank in Newburgh is the
presence of the town’s two National Register districts. The largest district is the East End
Historic District containing over 2,200 buildings within 445 acres. Its southern end has

65 Erin Tobin, Director of Preservation, Preservation League of New York State,
telephone interview with author, April 7, 2016.
experienced neglect and abandonment in varying degrees and therefore it serves as a
crossroads for both the land bank and preservation groups.

Among the tools in the preservation toolkit are creative financing such as federal
and state rehabilitation tax credits, but community-level engagement seems crucial to
success. The state tax credit program piggybacks onto the federal program, and works
with census tracts for income levels that correspond with the communities where land
banks are located. At the end of the day, 80 cents per dollar spent comes back, which is
an enormous incentive for developers.

According to Tobin, a network of preservationists, architects, historians, and any
other like-minded people should join forces and make the case for the economic and
energy benefits of rehabilitating existing buildings. Tobin also feels strongly that local
leadership is crucial to the success of both preservation groups and the land banks. Land
banks have many of the same large goals as preservationists; among other things, both
want to see neighborhood revitalization and affordable housing as an outcome of their
work. Working together to align those goals could mean a better chance that both
groups meet and surpass performance goals.

Case Study No. 4: Georgia, Investment in Intangible Heritage

In 1990, Georgia became the first non-Rust Belt state to pass legislation enabling
the creation of local land banks in the state. According to a study released by the Center
for Community Progress, the Georgia Land Bank Act has “opened the door to a new era
of regional collaboration, focused initiatives on particular problem properties, and the conversion of vacant spaces into vibrant places.”\textsuperscript{66} The impetus for the creation of land banks in Georgia is the same for those in other regions of the United States: the issue of market inaccessibility to vacant or abandoned real property because of systemic legal barriers and a stagnant economy.

In the run-up to hosting the 1992 Summer Olympics, the City of Atlanta was turning a corner from two decades of economic stagnation, but it was not coming quickly enough for developers and city boosters who knew that the city’s new international reputation would put the spotlight on a city with deteriorated neighborhoods ringing downtown. The 1990 Georgia Land Bank Statute was the result of a coalition of housing advocates and city and county leadership who were “looking for creative solutions to this challenge of problem properties that were inaccessible to the market.”

An example of intergovernmental agency collaboration, the Fulton County/City of Atlanta Land Bank, founded in 1991, worked for the first few years without direct budget appropriations. For the following fifteen years, it was functionally a transfer agency in which “a nonprofit affordable housing entity would identify and acquire a parcel of property heavily burdened with delinquent taxes by paying a nominal amount to the owner and taking the property subject to the outstanding tax liens. The entity would then convey the property to the land bank, which would extinguish the

delinquent taxes,” allowing conveyance of the property with restrictions and requirements that it be developed for affordable housing.\textsuperscript{67}

The land bank in Atlanta became a model for other local governments in Georgia prior to the state enabling legislation. The 2012 Georgia Land Bank Act expanded on the 1990 statute to allow for improved financial, operational, and programmatic outcomes. Each land bank focused on regional challenges, with different sets of partners and budgeting and staffing approaches. The state level legislation enabled them to more effectively address their statutory mission and local priorities. It also allowed a broader range of internal financing mechanisms such as a limited property tax recapture on properties conveyed from the land bank to a new private owner. Yet preservation goals were never explicitly integrated or implicitly carried out.

Since the 2012 land bank act, Senate Bill 284, the towns of Macon and Augusta, in particular, have led the way for preservation to be more integrated into their local land banks. They have done this through partnerships with the local preservation advocacy groups to find and capitalize on the shared goals of each organization: putting existing older structures back on the tax rolls with rehabilitation and targeted infill in older neighborhoods. Where building demolition had already scarred the landscape, robbing a neighborhood of some of its storytelling devices, new infill that respected the scale and design of existing rehabs helped mend the fabric of neighborhoods that had been torn apart by well-meaning, but ill-guided policies. The collaboration of land bank

officials, preservation advocates, community leaders, and affordable housing advocates has resulted in success stories for revitalized neighborhoods in Macon and Augusta, in particular.

In Macon, a city of 91,000 people in central Georgia, the nonprofit preservation advocacy organization Historic Macon is an official partner of the Macon-Bibb County Land Bank Authority (MBCLBA), along with the Macon Area Habitat for Humanity, The Urban Development Authority, and Rebuilding Macon, Inc., a group that has the repair of existing homes as a large part of their purview. According to a 2014 article, the work of the MBCLBA has been highlighted by the Center for Community Progress for its efforts in neighborhood revitalization and affordable housing while preserving historic assets. The director of the land bank, Alison Souther Goldey, was quoted as saying “we are a conduit, not the silver bullet – we are just part of it. It’s a little like you take an assembly line approach of taking properties that are under-utilized, and we are the conduit to make that happen.”68 One of the land bank’s biggest powers is to acquire property to transfer out to responsible developers instead of waiting for a local government’s required bid process to unfurl.

Historic Macon makes a point of creating and publicizing an annual list of endangered properties, called Macon’s Fading Five. The organization’s preservation committee uses the list “to raise awareness about historic structures and places that are threatened by neglect or possible demolition, and to create strategic preservation plans

for each of the listed properties.”\textsuperscript{69} The 2015 list includes properties such as a 1932 Tudor Revival elementary school that was sold by the school board to the land bank, who will work with Historic Macon to find the best purpose for the property. Historic Macon’s Executive Director Ethiel Garlington took an accounting of the public’s opinions on how the property should be redeveloped at an April 2016 community meeting. A review committee will discuss the proposals offered before submitting one to the land bank that would be attractive to potential developers.

Augusta is a city of almost 200,000 people in Richmond County on the border with South Carolina. Although the Augusta Georgia Land Bank Authority (AGLBA) and Historic Augusta don’t seem to have a formal partnership, they have nonetheless come together to work on preservation projects. They have both participated in large scale neighborhood rejuvenation involving historic properties.

Laney Walker and Bethlehem are two historically African American neighborhoods in Augusta’s urban core that were both recently transformed using well-designed infill and rehabilitation on some existing historic properties. While demolition with replacement at a similar scale and historic style were also incorporated into the project, the project’s sociocultural heritage had a certain pride of place, a rare occurrence in large-scale neighborhood revitalization projects. In Laney Walker, 33% of housing was in poor condition with 20% vacant parcels; in Bethlehem, 70% of existing housing was in poor to dilapidated condition with 30% of the parcels being vacant. The

\textsuperscript{69} “Macon’s Fading Five,” Historic Macon, accessed April 6, 2016, \url{http://www.historicmacon.org/macons-fading-five/}
combined population of both areas is just shy of 5,000 people.\textsuperscript{70} Among the plan’s recommendations were the rehab of vacant houses and a “celebration of the neighborhood’s culture and African American heritage.”\textsuperscript{71}

With the explicit charge of preserving historic and cultural heritage by renovating owner-occupied housing, the land bank and Historic Augusta partnered with local community and church groups as well as a local museum of black history, in addition to the more usual partners in redevelopment and local government. The result, after a 16-month long neighborhood planning process was a development that incorporated the rehabilitation of historic houses, the introduction of pocket parks, and a mix of single-family houses, both for rent and to own in the range of $110-210,000. Today, Laney Walker’s Historic Pines neighborhood is considered Augusta’s flagship development.

\textsuperscript{71} Ibid.
Chapter 3

Policy and Program Suggestions for the Philadelphia Land Bank

After having discussed the reasons why preservation is important for the land bank (Chapter 1) and how preservation is working well for land banks in other states (Chapter 2), this chapter will present and explore ideas that could be implemented by, for, or in conjunction with the Philadelphia Land Bank for the thoughtful reconsideration of reusing existing vacant properties. The incorporation of preservation-based strategies and ideas are proposed as ways to broaden the land bank’s goals and strengthen its mission to revitalize the city and its neighborhoods. The role of the land bank’s many potential partners is a necessary requirement for success. Creative initiatives, general market trends, and potential partners for neighborhood revitalization through the city’s inventory of vacant and abandoned properties will be addressed.

The Philadelphia Land Bank should have as part of its mission not just being an agency dedicated to fairness and transparency, but one that captures, replicates, and implements innovative ideas. Best practices from other land banks, and similar agencies and organizations that are addressing the pernicious issues around vacancy in the built environment, should be integrated into the policies and practices of the Philadelphia Land Bank. The results could help the agency take a more holistic approach to its role in property redevelopment throughout the city. The land bank and its partner organizations could easily position themselves to help others leverage historic resources
as diverse as breweries and Underground Railroad stops, for example, into productive and livable places upon which the next layer of historic character can be laid.

The Philadelphia Land Bank was created after years of thoughtful, concerted efforts on the part of several diverse partners representing a broad swath of Philadelphians to address a real crisis in land use and ownership. The agency was created with the input of these diverse stakeholders, and their concerns were incorporated into the inaugural Strategic Plan. The agency has expressed a commitment to transparency. These are all excellent aspects of the Philadelphia Land Bank’s mission and position it well as it is receiving its first parcels and taking its first steps in land acquisition and disposition transactions. Before specific initiatives are detailed, preservation-based administrative and logistical imperatives will be proposed that could set the stage for smarter and more relevant land bank activity vis-à-vis older properties. Above all, however, and as demonstrated by the case studies, nothing replaces strong leadership and a willingness to steer a large institutional organization in a new direction, admitting that it may not have all the answers, but it is smart enough to engage outside of itself to find new solutions to persistent problems. This is the first step the land bank must take before a preservation ethos can have a chance to succeed in forwarding the agency’s mission.

**Staffing and Operational Concerns**

One of the imperatives for the land bank is the inclusion of an experienced preservationist, an architectural historian, or an architect with a track record of
preservation work, to serve as a permanent member of the land bank board. Criteria for consideration as the seat holder for this position should include experience in conditions surveying of historic properties. The actions of the board are crucial to guide the Philadelphia Land Bank toward attainable governance and management goals with regard to vacant properties and learning new reactions when discussions of property rehab potential and relevance arise. If the power of preservation is going to be included in its many expressions, then an advocate at the board level is necessary. This person would unofficially serve as an ambassador to the organization for a preservation ethos, including the role preservation may play in a general, philosophical sense, as well as at the granular level of individual buildings. Board members have an obligation to be stewards of the mission of the Philadelphia Land Bank, which is already well positioned to align with preservation, and then to bring ideas and proposals to the board that may offer nimbler and more direct approaches to meeting the board’s mission and operational goals.

In addition to an advocate experienced in preservation, the board should have direct access to a structural engineer with experience in the stabilization and rehabilitation, if not restoration, of historic or older properties included at the land bank. Any other structural engineer will not necessarily have experience with building forensics, or the evaluation of existing buildings where some or all of its structure is hidden. This professional will therefore be trained and experienced in the review of existing conditions, and will know how to interpret the clues of cracking, erosion, deflection, or other physical breaches. Ideally, this position would be at the staff level,
so that as land bank acquisitions begin to include more vacant and abandoned buildings, this person could be deployed to help assess the structural stability of holdings, whether potential or actual. As the inventory of vacant buildings is beginning to grow, this engineer could help create benchmarks that would favor the maximum quantity of reusable properties, perhaps even including cost estimates for rehabilitation or stabilization depending on the structural base of a building. The goal in having a structural engineer would be to maximize the number of properties that could be rehabilitated versus outright demolished. If this position of a structural engineer at the land bank is not on staff, then it should at least be on retainer, so that the structural stability of properties can be quickly identified.

The sharing and dissemination of data to all interested parties, freely and widely accessible, should be a top priority for the Philadelphia Land Bank. The agency currently has a GIS staff that creates and updates publically accessible maps of properties for the use and review by anyone. This staff should be directed to work regularly with the Philadelphia Historical Commission to provide, for the land bank’s own information as well as that for the general public, regularly updated information on properties that are historically designated, determined eligible for designation, or identified as eligible, based on PHC and Pennsylvania State Historic Preservation Office criteria. As was the case in Detroit after they undertook in 2014 a survey of all National Register and NR-eligible districts, access to the most recent spatial mapping for historic or eligible properties will clearly illustrate the intersection of those properties with vacancy, a potent portion of the land bank’s eventual inventory. The PHC keeps a record of such
data, and its inclusion as a historic properties layer to existing property data would be an ideal way to maintain a relevant inventory of properties and neighborhoods that could be ripe for redevelopment and possibly designation. Criteria and data levels could be designed for the land bank based on the PHC’s own such information, including whether a vacant property falls within a historic district, or if a building has been identified as eligible.

Perhaps, as Detroit successfully found, there are local resources in Philadelphia that could be called upon create an app into which property data could be entered and cross-referenced between land bank inventories and records of historic or eligible properties. Funding could come from allocated, organizational resources or in the form of grants from foundations that identify with the goals of addressing vacancy and blight through the repurposing of existing properties. Such an app could be used by more groups than just the land bank or preservationists; the users could include many potential partners of both groups, capitalizing on the consolidation of relevant data.

Ideally, after basic, historic profiles on each property are included as a first round of information, then a supplemental layer could be included that would provide links to online resources, as applicable, such as historic photographs through the Philadelphia City Archive (phillyhistory.org), deeds through the City of Philadelphia’s Department of Records, and architectural information through the Athenaeum’s Philadelphia Architects and Builders website (philadelphiabuildings.org). This information will likely not all be applicable to many of the land bank’s properties, yet the relevant links would characterize the properties as ones with a recorded history, worthy of developmental
respect by the land bank and further exploration by potential owners or developers.

Potential Partners and Stakeholders

At the risk of saying everyone in Philadelphia is a stakeholder, tempting as there are very few areas where preservation does not affect city life, a wide net should nonetheless be cast to find alignment between goals for addressing vacancy, preservation, and the needs of local organizations, small and large. Primarily, they would represent the preservation community, community and neighborhood associations, affordable housing advocates, sustainability advocates, private developers, city government, and anyone with an interest in the financial health of the city vis-à-vis property tax revenue and small business creation. The list of partners for the land bank could include, and not be limited by, groups as diverse as the Mayor’s Offices of Sustainability and Community Empowerment and Opportunity (which could build on the overlapping concerns that addressing vacancy offers – reuse of existing resources as locations for jobs training or new business or artistic initiatives); the Philadelphia Department of Licenses and Inspections (which would need to expand the identification of properties eligible for rehab as opposed to demolition); Philly NerdNite (which has been a sponsor of the pop-up beer garden at the historic Reading Viaduct in July 2016); and the Preservation Alliance of Greater Philadelphia.

The inclusion of a wide variety of partners, from municipal government departments to bicycling advocates to environmentalists, would underscore the more holistic approach that will be needed to help the land bank reframe its mission. Success
with the city’s vacancy issues depends on a multi-pronged approach to engaging with partners at every level to address problems and find solutions. If preservation is about starting the conversation on significance of a place, then as many people as possible need to be incorporated into the mission of repurposing vacant and abandoned buildings. Their stories are essential and their needs should be documented. The common threads of tangled history can help demonstrate shared values with those who came before to those who will create a new layer of history.

Vocational training is an idea that is beginning to be resurrected from a near fatal exclusion from standard high school curricula. Technical training and job skills are needed for those for whom college or university is not an option. There are several vacant, vo-tech high schools around Philadelphia that have been shuttered due to budget cuts. They leave behind a large number of residents who are willing but unable to learn hands-on technical or vocational skills that could put them to work, growing the local economy. New partnerships between agencies holding vacant buildings – and not only the school buildings – and youth empowerment groups should explore technical training for construction jobs. There are many people who seek special skills and the construction industry is not only growing, it is expanding into the specializations required for the reuse of existing buildings.

An excellent model that combines technical training and preservation can be found with the National Trust’s dynamic HOPE Crew. HOPE stands for Hands On Preservation Experience and is an initiative that connects young people to training in the preservation crafts. The crews are matched with experienced preservation advisors and
restoration experts and are trained in techniques related to older buildings, such as repointing, wood or metal window restoration, and carpentry. The potential for currently vacant buildings to be rehabilitated and brought back to life using young people learning technical skills is enormous. A program that used land bank properties in conjunction with high schools or other youth organizations and partnered with local preservation professionals could go a long way to creating affordable housing, construction-trained youth, and a growing local tax base, all while respecting the embodied energy of existing buildings and the heritage values of neighborhoods.

On the disposition end after rehab has taken place, a good model is the Detroit Land Bank Authority’s Rehabbed and Ready program through which potential owner-occupants can purchase houses that are move-in ready. Through partnerships with rehabilitation crews including the Home Depot, the houses are rehabbed, updated as necessary, then listed through Multiple Listing Services and other home search websites, including the land bank authority’s website. Open houses are held, and turnkey properties are sold through a traditional real estate transaction process. The home prices are kept affordable, mostly well under $100,000, and low financing terms have been established with partner organizations. The properties are largely postwar bungalows under 1,500 square feet, with two or three bedrooms, and are occasionally offered with side lots. The program offers an excellent model for returning Philadelphia housing back to productive use once vacant buildings with rehab potential begin to

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72 Emilie Evans, co-founder and co-leader at Brick+Beam Detroit and Director of Rightsizing Cities Initiative with PlaceEconomics, telephone interview with author, August 9, 2016.
comprise a larger bulk of the land bank’s inventory.

**Addressing Concerns and Responding to Societal Trends**

The mission and services of the Philadelphia Land Bank, as transparently discussed as they may be, still may embody myths and concerns based on past actions or inactions of government agencies, such as the memory of inescapably detrimental initiatives such as Mayor Street’s Neighborhood Transformation Initiative, or other urban renewal projects. The land bank should strive to be a partner in righting the policies and processes that led to some of these past wrongs. According to housing advocate Alan Mallach, it is low demand, not vacancy, that is the issue.\(^{73}\)

For example, contrary to the views promoted by some housing advocates or organizations, demolition does not have to play a primary role in the work of a land bank. Indeed, demolition can be costly on a number of levels, especially in terms of sustainability, economics, and historic character, as discussed in Chapter 2. Yet, a myth persists that clear-cut demolition precedes community renewal. Economic estimates exist to elevate the rehabilitation or reuse of existing buildings over that of demolition (which is not always followed by new construction, for a variety of reasons including phased planning and lack of funding).

The land bank should acknowledge and address for its partners and stakeholders commonly expressed concerns that would compromise its ability to incorporate the

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retention and reuse approaches this thesis proposes, which, as the case studies show, have been successful elsewhere. These concerns include:

- Land banks will prioritize demolition over rehabilitation most of the time. The cost of demolition is not just in the payment to the demolition crew; it wastes non-renewable resources and erases collective memory.

- Land banks will ignore the heritage or sociocultural values of a neighborhood. Engaging with community groups is essential for identifying significance, the starting point for any preservation initiative.

- Land banks will enter into “backroom deals” with developers. The Philadelphia Land Bank currently has expressed an impressive commitment to transparency, a commitment that should be renewed and expanded to all aspects of the agency as it grows and develops.

- Land banks will reduce investment opportunities. The land bank is positioned to help individuals and small scale developers to not only repair their neighborhoods, but to ensure that such a financial risk does not meet with failure.

- Land banks will not prioritize sustainability measures, including the retention of its viable building stock. The demolition of existing buildings is incredibly wasteful on a number of levels.

It is important to talk about the retention of viable building inventory. Although
preservationists know acutely that not every building can or should be saved, thoughtful urbanism that reaches people across socioeconomic boundaries should prioritize rehabilitation as much as possible. Demolition is quick, powerful, and costly – in more ways than just financially. It is an irreversible action that wastes resources, erases the landscape and memory of a community, and disregards historic character as a basis for future neighborhood revival. Often short term costs of demolition are indeed less than rehabilitation for particular properties, but this wildly fluctuates and is based on a number of different factors. Long term costs of demolition are enormous. Further, one of the bigger problems with demolition is that it is irreversible. Why raze a neighborhood that could experience a rebirth in another generation? Existing buildings can provide a level of affordability and sustainability on par with new construction. The retention of historic fabric allows for new growth to be woven into an existing story, continuing the link between the past and the future. For these reasons, retaining the existing landscape as much as possible is a model that can continue to keep older buildings relevant, and keep community connections intact or strengthened.

The land bank is in a unique position as a manager of the built environment to proactively respond to current trends in the marketplace that directly affect ordinary building inventory, especially housing for individual owner-occupants. The “tiny house” movement has picked up steam over the last decade by promoting small living spaces and downsizing for the American household. It comes in response to the expense and unsustainability of living in large quarters, as well as a material culture that seems all about acquisition. The average American house is about 2,600 square feet, and tiny
houses typically don’t exceed 500 square feet. Philadelphia’s housing archetype, the rowhouse, and other local, affordable housing typologies, should be considered prime beneficiaries of this trend. The rehabilitation of existing small houses should be prioritized as part of the city addressing affordable housing. Rowhouses can be as small as 800 square feet, and often smaller if it is a “trinity” (three rooms stacked on top of each other), making them ideal spaces compatible with downsizing.

Additionally, the shrinking size of the average American family plays into the need for smaller spaces. According to the US Census Bureau’s 2003 data on Married Couple and Unmarried Partner Households, unmarried households account for more than half of American households, and they are also more likely to live in urban areas.74 Such a trend in the reshaping of the American family aligns well with the possibilities in the rehabilitation of older residential housing stock. For Americans who are living alone, there is no need for large houses. Who needs the expense of conditioning the air for 2,000 square feet or for dusting in all of that space? Smaller spaces work well with Philadelphia’s historic rowhouse stock, which will most likely make up a large part of the land bank’s building inventory eventually.

Moreover, there is a trend toward group and communal living. Taking off from the Danish concept of co-housing, this is a trend that exists more and more for substance abusers, senior living, and multigenerational groups. Collections of adjacent, vacant buildings could be rehabbed – perhaps with the inclusion of vacant lot

redevelopment – to form living communities. Intentionally developed multigenerational housing is a good way to pair repurposed buildings with a new community. With a mix of seniors, children, and working-age people, these living arrangements provide a lively mix of people who can help and look out for each other. As those who work leave their neighborhood for their jobs, older people and children could be left behind together. In such a scenario, most of the buildings become housing, while others could be support buildings, whether for a neighborhood association, a day care, or a central gathering space with a communal kitchen. Vacant lots interspersed in this neighborhood could equally be repurposed for infill housing or green spaces, whether kitchen gardens or more paved gathering places that allow seating, a place for the bbq smoker, a playground for the children.

As previously discussed, single person households are growing in the US, and a fair question to ask is how single and childless people live once they get to a point where they need assistance. Again, repurposing abandoned neighborhoods into modern living clusters would prove beneficial. The béguinage is a Flemish housing cluster for lay religious women from a variety of socioeconomic classes. Many of these complexes in France, Belgium, and the Netherlands are a few centuries old and still active. These are housing types for women of a certain age who have never married or lost their spouses, but come together for the purpose of maintaining an adjacent or associated church, as well as for living lives of charity. These are not convents, but the women do gather for protection, community, and a common purpose. The land bank could eventually respond to such needs with inventories of building clusters, leaving out perhaps the
associations with a religious institution, while still allowing residents to respond to community needs in an organic, nonprescriptive way. This could be a route to empowering traditionally marginalized or overlooked population groups, among others, to create their own sense of place in a community.

Built-in neighborhoods like this that grow from vacancy could also be rehabbed and populated by people who are transitioning in society, either from drug abuse to sobriety or from correctional facilities back into society. Admittedly far too slowly for many, people who have such delicate needs are increasingly finding that we are moving from a punitive-based system where individuals are on their own to find a clean and correct path forward with their lives, to one where it is recognized that these transitions are more successful in groups. Interrelationships are necessary for many of these people. The halfway house model as separate from lively, well-functioning neighborhoods should be replaced by integration of eligible participants back into society. Social workers or probation officers could also become residents in such a community in order to provide the resources necessary for the transitioning residents, thereby easing a burden on all parties, erasing boundaries, and modeling strong living together.

Microloans and microfinance are also two recent trends that have helped recalibrate standard financing mechanisms for small business creation or homeownership so that these things are accessible at a grassroots level. Perhaps in partnership with the local branch of the Small Business Administration and other local lenders, in conjunction with grants, loans could be given to individuals to redevelop
existing properties for residential or business purposes. Incentives could perhaps rise for less desirable neighborhoods to encourage more uniform and citywide neighborhood regeneration. The business or home mortgage payments could be monitored with assistance provided as necessary to retain the homeowner or business in place. It needs to be assumed that there is a desire by most people to want to work, to express themselves through their work, and to be able to make a fair wage by doing so. However, the tools to teach people how to do this are limited, and matchmaking between people with ideas, especially in neighborhoods of need, with those tools for success doesn’t always happen. Enterprise zones in areas of vacancy could go a long way toward bridging this gap, and strengthening people’s economic lives and the sociocultural characteristics of a neighborhood.

Other initiatives that marry existing, older buildings with individual small business owners and nonprofit organizations and/or collaborative business centers could be pursued via more traditional financing mechanisms, such as tax revenue and abatements, government and nonprofit foundation grants, and other governmental or private funding. There could also be initiatives that address financial and real estate literacy, so that individuals who want to own a home or start a business have the tools and skills in order to do so. Financing for rehabilitation loans on buildings whose property value may be less than the project costs are especially needed.

As the land bank acquires buildings that could be redeveloped, there are opportunities to create a marketing plan geared towards potential buyers. That marketing plan should include advertising properties with high quality photography;
affordable prices and/or financing options; and information on the building’s history, structure, and a land use profile, including zoning. Marketing that achieves parity with that of new construction would go a long way to normalizing real estate transactions from the Philadelphia Land Bank, as well as better ensuring the inclusion of first time investors and small-scale developers or entrepreneurs.

The quarterly publication of a list of endangered properties, or properties that could be considered diamonds in the rough, could be an additional step toward the awareness of land bank properties. This could work especially well for “white elephants”, or properties that initially may seem to have limited reuse potential. With a catchy name such as the “Philly Fab Four”, this list could be publicized so that agencies and organizations trying to match people or business ventures to architecture have a forum for talking about and possibly even bidding on properties that could easily be given new life. Historic Macon, in Georgia, has had great success with its annual list of endangered properties called the Fading Five. There is an opportunity for the Philadelphia Land Bank to have a similar impact focusing on property potential.

Awareness of the activities of the Philadelphia Land Bank will also come, and progress will be more likely to follow, when a wide array of partners is brought into the fold. A great many community organizations as well as larger municipal agencies and authorities came together to craft the land bank’s 2015 executive summary and disposition policies in the wake of the state enabling legislation. Now that the land bank has received its initial property deposits, it can now begin to form partnerships that can lead to affective programming. There are community groups and nonprofits across the
city whose members and clientele could benefit in one way or another from the productive reuse of once vacant property. Whether it is for artists needing inexpensive studio space, high school students learning a trade by mothballing ordinary rowhouses or rehabilitating them for immigrant families, disabled persons living in supportive co-housing communities – there are countless opportunities for the land bank to work with and raise awareness of the potential within its eventual building inventory. The processes should be discussed and put in place before critical mass has been achieved with building inventory.

**Ideas from Case Studies**

As explored in Chapter 2, there are several programs and policy initiatives across the country that have worked to incorporate preservation into the local land bank’s mission. The Philadelphia Land Bank should explore the inclusion of some of these successful initiatives and lessons learned into its evolving Strategic Plan.

A dedication to working together and strong leadership are two of the primary characteristics of the successes found between land banks and preservation advocates, and these are two aspects that should not be terribly difficult to undertake in Philadelphia. Good relationships are also key, and this is where Cincinnati has found that giving the local land bank awards for their positive work has paid off in further good relations between the two entities.

Also in Cincinnati, the Hamilton County Land Bank Authority (HCLBA) and the Cincinnati Preservation Association (CPA) have come together as partners with the
shared goal of returning existing structures back to tax-producing status, both groups seeing existing buildings as assets, not liabilities. As such, on a quarterly basis CPA sends HCLBA a list of eligible buildings that CPA believes the land bank should include in its inventory. These are buildings that could be successfully remarkeeted, and CPA has developed criteria to quantify redevelopment potential. A team of Philadelphia-based preservationists could easily identify criteria for local buildings to be incorporated by the land bank into its inventory as it grows to include vacant structures.

One of the most successful stories out of Cincinnati is that of the creation of the innovative Historic Structures Stabilization Program. Cincinnati has many historic neighborhoods that are currently experiencing the benefits of redevelopment that incorporates historic fabric into the designs. Philadelphia is no less historic, with a rich fabric of existing structures that should be stabilized for future reuse or redevelopment. The land bank could set aside 10 or 15% of its funding for the stabilization of existing historic or older structures. Working then with local developers would then set these buildings up to be brought back online. Protocols should be established for bidding by qualified developers with the additional creation of a pool of qualified developers.

A Focus Neighborhood Strategy could be established in Philadelphia for a handful of neighborhoods, perhaps the most in need but least likely to be targeted by private developers. A dozen or so neighborhoods throughout the city could be chosen, and with the partnership and cooperation of neighborhood civic and community associations and historical societies, could begin the practice of identifying significance in these neighborhoods, whether physical, recreational, social, or cultural. Community
engagement is crucial to the success of such an endeavor, since it is the people in neighborhoods who should let others know about what makes, as the National Trust would say, this place matter.

A grant from the 1772 Foundation or similar organization that prioritizes preservation could be sought out to study how to begin a historic properties redevelopment program. Such a study will evaluate different financial options for redeveloping historic properties, structuring a loan program to assist nonprofessional, individual developers in rehabilitating a property, and funding investment properties to be undertaken in conjunction with preservationists that would not ordinarily find interested developers to take on projects, mostly in the “white elephant” category.

The Macon-Bibb County Land Bank has had great success in its partnership with Historic Macon Foundation. Historic Macon creates and publishes an annual list that the Preservation Alliance could mimic locally and share with the land bank. The preservation committee that assembles this list can then use it to create strategic preservation plans for the vacant properties listed. In Macon, historic schools are among the properties ripe for redevelopment, and have been saved through the awareness that a local endangered list creates. In Philadelphia, with so many schools and other larger, purpose-built structures sitting vacant with few development possibilities, a similar initiative to spotlight endangered properties could be a way to market these buildings so that real estate professionals and developers can begin to see new possibilities for reuse.
Cincinnati’s successes in transforming vacancy provide examples of culling specific buildings out of a larger inventory of vacancy that would qualify as historic or eligible for historic designation. This work is currently being undertaken by the OTR A.D.O.P.T nonprofit as well as by a partnership between the Hamilton County Land Reutilization Corporation, the municipal land bank. Just as is being done in Cincinnati, the Philadelphia Land Bank could set aside some of its inventory in a “historic sector,” establishing similar processes to its regular disposition properties, but also incorporating a sensitivity to the specific needs of historic buildings, and repackaging them for disposition with attention to their eligibility. Initially, this work could be coordinated on a quarterly basis with local preservationists. However, as the land bank’s inventory begins to grow from mostly vacant parcels to include vacant buildings, a small staff should be hired to manage this aspect of disposition.

A historic sector to the land bank should be staffed in large part by experienced preservation professionals including an architect experienced in restoration work. After the initial building condition surveys are completed for all property acquisitions, the historic sector staff would work to identify specific properties that meet eligibility requirements for inclusion to the historic sector of the land bank’s inventory. Staff would perform the necessary research on these parcels to begin to form their historic profile; deed research, chain of title, and historic use would be documented. Staff would then create a treatment plan for the buildings to be provided to potential buyers.

To encourage the retention of historic properties, staff would also work to write covenants or easements on these historically eligible properties that could be offered in
exchange for additional tax breaks or abatements. For example, for every ten years that a potential owner agrees to an easement on the property, they receive a two-year tax abatement. For easements in perpetuity, the tax relief could be extended to twenty years. By committing potential owners to the retention of these properties, the threat of demolition would subside enormously.

For commercial properties, staff would work to provide information on state and federal tax credits for rehabilitation, coordinating with the Philadelphia Historical Commission and SHPO as necessary. Staff would work to help buyers with other funding sources, coordinate with the CLG office at the City, and work closely with preservation groups to identify initiatives that could further the work of the land bank.

**Other Initiatives**

An online toolkit for preservation. This should be a resource to serve all stakeholders in the reuse of older and historic vacant and abandoned properties. It could disseminate preservation education materials, present strategies for the evaluation of existing structures, and disperse technical assistance and funding options. It should be updated and cross-referenced with information from the Center for Community Progress, and other local and national land bank and vacancy stakeholders, as well as the National Trust. The toolkit could also provide a platform for connecting businesses and organizations with space needs to existing but underused buildings that could house their people and ideas.
Positioning future conservation districts. Historic districts are an important tool for cities to maintain their character, which in marketing or economic development would be called their competitive advantage. While local historic district creation is not a popular idea in Philadelphia for various political reasons, it would be beneficial, perhaps, for the land bank to look into conservation district criteria and language in preparation for the day when local districts will be better received.

Often referred to as “historic districts light”, conservation districts are tools that are increasingly used by municipalities to be used where historic districts may not be applicable, but certain protections are deemed helpful. These districts are special zoning overlays that help retain the character of a neighborhood while limiting regulation to significant character defining features such as setbacks and building heights. Unfortunately, however, conservation districts do not prevent demolition. Currently, Overbrook Farms and Queen Village are Philadelphia’s only conservation districts. The work and purpose of these districts is outlined in §14-504 of the Philadelphia Zoning Code.

The reasons for having districts are many and they align with land bank and preservation goals, as well as contribute to neighborhood stabilization through property and heritage values. In partnership with the Philadelphia Historical Commission and the

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PAGP, the land bank could explicitly identify buildings and neighborhoods that would be eligible as historic districts and work toward their creation.

Ban demolition. On July 6, 2016, the city council in Portland, Oregon, passed a law banning the demolition of residences at least one hundred years old. These houses must instead be deconstructed so that salvaged materials could be reclaimed and reused. This would ideally be an initiative from Philadelphia City Council, and if ever enacted, the Philadelphia Land Bank could partner with the Mayor’s Office of Sustainability to ensure best practices from all parties. Such an initiative would directly incentivize the reuse and energy updating of older buildings. It could also revise current policies that encourage unsustainable building development. Demolition should be avoided where possible, but where it is not possible, the deconstruction of existing buildings and the reuse of materials such as bricks, windows, old growth lumber, would meet market demands in other restoration or rehab projects as well as sustainability goals.
Conclusion

As a matter of course, the work of the Philadelphia Land Bank is focused primarily in neighborhoods that have been decimated by a laundry list of late twentieth century woes: divestment, redlining, suburbanization, and now globalization. Neighborhoods and individuals have not always been able to keep up with a rapidly changing economic environment. Online and big box shopping has replaced the corner store; supermarkets have replaced small-scale vendors; and private sector jobs have either moved to the suburbs or overseas. Our vacant, historic commercial and residential infrastructure – from rowhouses to factories to breweries – demands new life, the addition of a new layer of history to connect the past to the future.

The assertion of this thesis is that to include the missing preservation perspective on land bank activity would meaningfully help the land bank better address the re-use of vacant and tax-delinquent properties. By doing so, the Philadelphia Land Bank would be a partner in encouraging sustainability, supporting affordability of homeownership, and conserving community character and heritage. There is opportunity in returning blighted property to productive use. The benefits of sustainability, economic potential, and heritage values of buildings and landscapes should help the existing built environment be seen as an asset, not a liability.

As a brand new tool in the city’s toolkit, there is no data yet on property dispositions at the land bank. Therefore, the time is ripe to examine the land bank’s
potential to bring about real and lasting effects to many of the existing buildings that once functioned as vital structures in the life of our city. Preservation is well positioned to refine the work of the land bank in Philadelphia. Cultural heritage is central to Philadelphia’s identity, and the opportunities for sustainable and equitable growth in the city could be met by the alignment of the goals of the land bank with a strong preservation ethos.

The Philadelphia Land Bank could take a leadership role in affecting positive change vis-à-vis the vacant built environment by employing a strong preservation ethos that goes beyond traditional concerns of the field of historic preservation. The organization should embrace a marriage of traditionally top-down funding and organizational advantages with DIY urbanism that employs grassroots and community-based concerns. They should continue to take incremental steps, “building the plane as they fly it,” flexible and responsive to changes in the landscape, the concerns of citizens, and market forces. They should seek creative solutions to overcoming vacancy and abandonment, and partner with organizations of every scale to reach as many Philadelphians as possible, especially lower income people or first time homeowners. Finally, stabilization should be prioritized over demolition as much as possible.

This is a key moment in the history of Philadelphia. Widespread vacancy in the built environment exists in stark contrast to economic development fueled by population growth. However, that development is concentrated in the greater downtown area, and is not widely extended to other areas of the city where vacancy scars the landscape. As the holdings of the land bank increasingly include vacant
building, there are opportunities to repurpose and remarket those properties, now or after a period of “mothballing,” to make them available to eligible Philadelphians. Through creative partnerships and financing, the holdings of the land bank can be made available for home ownership or commercial or nonprofit enterprises to the widest variety of people to create new stories in the fabric of Philadelphia.
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Journal Publications


**Research Reports**


