



Liabilities to Assets:

A Comprehensive Strategy for
Transforming Vacant Land

Executive Summary
2022



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Blighted properties have a devastating effect on neighborhood well-being as they damage the fabric of a community, cost significant dollars to maintain, create health hazards, and erode property values and the local tax base.¹

As poverty increases in inner-ring suburbs both locally and nationally,² it is increasingly critical to invest in neighborhoods to prevent a vicious cycle of blight and decline. However, up until now, the majority of local work to reduce blight has been focused on the built environment. A significant component of that work is demolition. While demolition is an important intervention for removing blighted buildings that are hazardous, unsafe, and no longer structurally sound, it is also critical to develop a strategy to address the untended vacant lots that remain following demolition.

Tri-COG Land Bank (TCLB) seeks to serve as a conductor and facilitator of vacant land repurposing throughout its footprint. Blighted, vacant lots reduce nearby property values and create hazards when left unattended, but, if tended to, they can also offer opportunities to address other neighborhood challenges such as food access, flooding, and air quality. Benefits of repurposing abandoned, vacant lots include:



Decreasing Crime

Multiple studies from cities across the country have found reductions in violent crime and gun violence after blighted vacant lots were remediated.³ For example, in Youngstown, OH, felony assaults, burglaries, and robberies decreased after previously abandoned lots received greening treatments.⁴



Increasing Physical and Mental Health

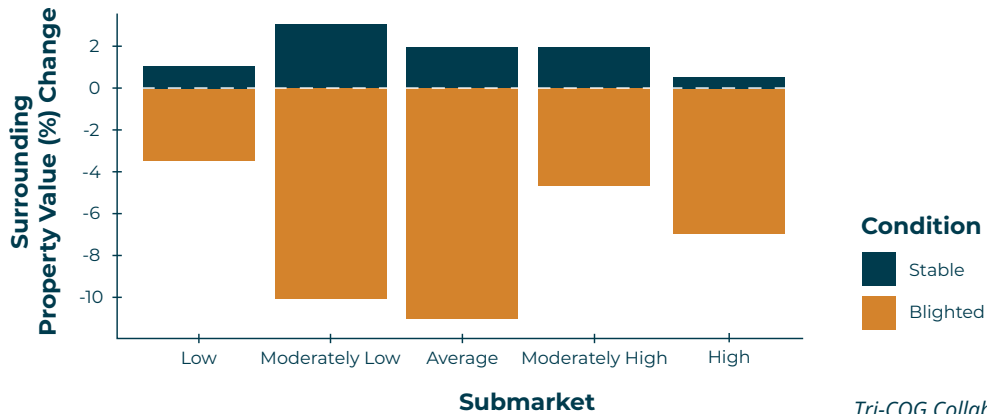
Living near vacant and abandoned properties is associated with increased depression,⁵ higher rates of chronic illness, and stunted mental and physical development in children.⁶



Stabilizing Real Estate Markets and Protecting Homeowner Equity

Reduced property values hurt both property owners' equity and municipal budgets. On average, across Allegheny County, blighted vacant lots are estimated to decrease surrounding home values by 6.0%,⁷ but activities like trash removal, proper grading, and landscaping almost entirely remove the negative impact and can increase property values up to 17%.⁸ Based on this estimate, if all of the blighted lots in Allegheny County were stabilized, the region would see a total increase of **\$457,620,095 in property values, or \$5,145 per house.**⁹

Surrounding Property Value Change (%) for Blighted or Stable Lots



Tri-COG Collaborative, 2012 - 2014.

However, as communities seek to repurpose blighted vacant land, a handful of obstacles consistently surface, including:



Legal barriers to accessing blighted parcels and gaining ownership.



Difficulty **identifying a final and permanent end user** for the blighted parcels.



Lack of financial sustainability, because the cost to acquire and maintain vacant land far exceeds the land's market value in weak and middle real estate markets.

Using its designated powers as a land bank, TCLB is well-positioned to address these legal barriers and find responsible new owners for blighted properties. Its state-enabled powers make it easier to strategically acquire tax-delinquent parcels, clear title, and transfer property to vetted end users. However, TCLB cannot address the financial challenges without additional outside funding support and organizational partners. Because most abandoned vacant land parcels are in distressed market areas, the value of the land is much lower than the cost to acquire and clear title, much less to invest in redevelopment and make a vacant land program self-sustaining. The chart below illustrates the costs of acquiring, maintaining, and clearing title of two side yards, relative to the price at which those lots were sold:

Financial Analysis of Tri-COG Land Bank's Side Lot Sales¹⁰

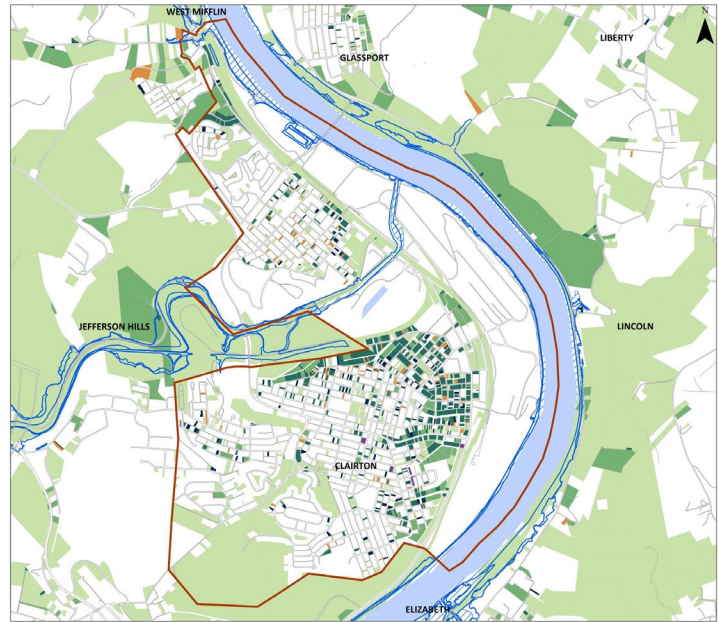
	Property Costs	Sale Price	Total Profit/Loss
Dome St.	-\$6,456	\$750	-\$5,706
Quay Ave.	-\$8,689	\$882	-\$7,807
TOTAL	-\$15,145	\$1,632	-\$13,513

In 2020, TCLB conducted GIS analysis of vacant land parcels in Allegheny County to identify potential side lots and examine the characteristics of other properties in its footprint. To do this, TCLB gathered data from public sources that included:

- Allegheny County's open data agreements
- PA Spatial Data Access portal
- Western PA Regional Data Center
- Local organizational data collected firsthand
- Regional and national data related to habitat, flooding, demographics, soil, and slope conditions


Using this data, TCLB created customized maps for each of its member municipalities. Topline takeaways for TCLB's footprint are also shown in the chart below:

Sample Map: Clairton



GIS Analysis of Vacant Land Parcels in Allegheny County, PA

Category	Total County	Total TCLB	% in TCLB
All Parcels	582,387	77,518	13.3%
Total Structures	487,057	62,596	12.9%
Potential Demos	3,552	1,342	37.8%
Total Vacant Land	95,330	14,922	15.7%
Target Tax Delinquent Vacant Lot	22,843	6,747	29.5%
Target Tax Delinquent Vacant Lot <.25 Acres	18,579	5,696	30.7%
Potential Sideyard Vacant Lot	5,551	1,415	25.5%
Target Tax Delinquent Vacant Lot in Flood Zone	817	171	20.9%
Total RAAC Owned	710	112	15.8%



This analysis illustrates that TCLB's footprint contains a disproportionate amount of abandoned, vacant land relative to Allegheny County as a whole. Overall, TCLB's communities make up 13.3% of Allegheny County's total parcels and 15.7% of its vacant land. However, when looking for vacant land that is specifically likely to be abandoned and blighted, TCLB communities contain almost twice as many abandoned properties as they should based on their size. In the chart above, TCLB identified properties that were likely to be abandoned in the category called "Target Tax Delinquent Vacant Land." For this analysis, Target Tax Delinquent Vacant Land is defined as vacant land parcels that have been tax delinquent for at least two years, where the last year listed as delinquent was 2019. Chronic tax delinquency suggests a greater likelihood that the lots are not being taken care of and that there is no active interest in the properties. Of all of the parcels in the County that fit this description, 29.5% are in TCLB's footprint. This suggests that **TCLB communities bear a disproportionate burden of blighted vacant land relative to their overall size.**

Developing a plan to tackle the 6,747 potentially blighted vacant lots in TCLB's footprint is certainly a daunting task, and overflowing inventories of untended vacant land is a common problem faced by land banks and municipal governments across the country. To truly address abandoned land at scale, the region needs a comprehensive strategy that crosses sectoral boundaries. There are many examples across the country of successful projects that have transformed formerly abandoned vacant land into new community assets that strengthen neighborhoods by increasing biodiversity, mitigating stormwater overflow, expanding access to nutritious food, and more. Many of these projects will be featured throughout the report as models that can be replicated in Southwestern Pennsylvania. **However, the lack of profitability for recovering vacant land in weak markets has prevented projects from reaching the scale needed to support communities with a legacy of disinvestment and decline.** By serving as a conductor that elevates vacant land repurposing in Allegheny County, TCLB hopes to transform the landscape of the neighborhoods in its footprint and help to inform a national effort to address vacant land at scale across the country.

A 7-Step Process for Transforming Vacant Land

TCLB has developed a framework that outlines key considerations for constructing a regional vacant land strategy. While the framework has multiple parts, it is important to acknowledge that this is not a linear process. TCLB has begun to tackle each step of the process simultaneously, recognizing how each element overlaps with and informs the others.

Partnerships are at the center of our work; without them, transforming vacant land at scale will not be possible. TCLB specializes in gaining ownership of abandoned land and clearing its title, but that land cannot return to productive use without responsible end users and partners. Community partners are indispensable for helping each lot achieve its highest **potential**, or highest and best use. To determine the best use for each parcel, TCLB will work closely with each community in **planning** how available lots can support existing goals such as stormwater recapture, healthy food access, or air pollution mitigation.

Based on community goals and GIS mapping of all available plots, **programs** will be selected for each lot targeting different strategies for reuse, such as disposition, leasing, and licensing. **Participation** from community residents is essential for ensuring the success of these programs, and long-term **preservation** strategies will be baked in from the beginning to support project sustainability. All of these activities will be informed by local, state, and federal **policy**, which TCLB will monitor through its participation in the PA Land Bank Network and the National Land Bank Network.

As a land bank, TCLB will leverage its unique abilities to facilitate a regional strategy that honors resident needs, aligns with local aspirations, and returns vacant land back to communities. With the participation of a committed network of regional partners, experts, community groups, and residents, we can transform abandoned and vacant lands into powerful sources of wealth, health, and shared prosperity for all.



Endnotes

¹ Delta Development Group, 2013, <https://secureservercdn.net/198.71.233.67/kvq.5af.myftpupload.com/wp-content/uploads/2019/11/BlightImpactFullReport.pdf>

² University of Pittsburgh Institute of Politics, 2016, https://www.iop.pitt.edu/sites/default/files/Reports/Status_Reports/Poverty%20Beyond%20the%20Urban%20Core.pdf.

³ Branas, Charles C., et al., 2018, <https://www.pnas.org/content/115/12/2946>.

⁴ Kondo, Michelle, et al., 2016, <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5436723/>.

⁵ Penn Medicine News, 2018, <https://www.pennmedicine.org/news/news-releases/2018/july/greening-vacant-lots-reduces-feelings-of-depression-in-city-dwellers-penn-study-finds>.

⁶ Urban Institute, 2017, https://www.urban.org/sites/default/files/publication/89491/2017.04.03_urban_blight_and_public_health_vprn_report_finalized.pdf.

⁷ Tri-COG Collaborative, 2019, <https://tricoglandbank.org/wp-content/uploads/2019/11/Effects-of-Vacant-Land.pdf>.

⁸ Wachter, Susan et. al., 2007, Green Investment Strategies: How They Matter for Urban Neighborhoods.

⁹ Tri-COG Collaborative, 2019, <https://tricoglandbank.org/wp-content/uploads/2019/11/Effects-of-Vacant-Land.pdf>.

¹⁰ Represents costs incurred by TCLB to acquire, maintain, and clear title of each lot.



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