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LINCHPIN APPROACHES TO SALVAGING NEIGHBORHOODS IN THE LEGACY CITIES OF THE MIDWEST

SHELLEY CAVALIERI*

I. INTRODUCTION

Over the last forty years, the cities of the post-industrial Midwest have faced substantial decline. Deindustrialization\(^1\)−−combined with technological advances\(^2\)−caused widespread unemployment. In the absence of decent jobs, substantial portions of the population departed from the industrial heartland.\(^3\) The remaining, smaller population needed fewer houses and left behind vacant properties\(^4\) that have become breeding grounds for arson, crime, and public safety problems. These vacant properties lowered the value of the surrounding housing stock as well, intensifying the conse-

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2. These trends towards mechanization are ongoing, as the introduction of robotics into manufacturing continues to increase productivity without creating new jobs. See Kim Tingley, Learning to Love our Robot Co-Workers, N.Y. TIMES (Feb. 23, 2017), https://www.nytimes.com/2017/02/23/magazine/learning-to-love-our-robot-co-workers.html (documenting the fact that “10 percent of factory jobs [ ] have disappeared” since the economic crisis, even though “American manufacturers are producing more products now than they were before the crash, with fewer workers, which suggests that those missing jobs have been automated.”).


4. Id.
quences of population decline. Property tax collection declined as a result, reducing service provisions in the cities, and rendering them less attractive as potential homes for people with the resources to choose where to live. The cycle has been vicious, insofar as a shrinking tax base continues to reduce service provision, and declining levels of public services has led to additional depopulation, which further undermines the tax base. Once it began, this cycle has proven nearly impossible to stop.

The financial crisis of the late 2000s, which some have termed The Great Recession, only exacerbated these pre-existing problems, leading to even greater levels of job loss, depopulation, blight, and abandonment.

While land banks originally served to help struggling communities reuse property, they were limited in their efficacy. Contemporary land banks concentrate on obtaining abandoned, tax delinquent properties that drain the tax base and devalue nearby property, and they transfer them to new end users who help restore urban vibrancy. In this way, land banks rapidly move unproductive property to more productive uses. This effort is designed to prevent the spread of abandonment and blight through a city,

5. FRANK S. ALEXANDER, LAND BANKS AND LAND BANKING 56 (2d ed. 2015) (Vacant and abandoned properties "drag down neighboring property values, increase the costs of police and fire protection, and destabilize neighborhoods and communities.").

6. Id. ("By their very nature, these properties in their current condition are not providing tax revenues or community benefits.").

7. Kathy Wyrosdick, Director, Department of Planning, County of Erie, Pennsylvania, Speech at Reclaiming Vacant Properties Conference, (Sept. 30, 2016) (observing the vicious cycle in which families move out, then the housing supply increases, so property values decrease, then tax rate increases lead to services declining, followed by a loss of quality of life, which leads to more families moving out and the cycle worsening).


9. The term “blight” itself is fraught and loaded with an array of complex meanings. The analogy to a state of disease is problematic, see Steven J. Eagle, Does Blight Really Justify Condemnation, 39 URB. L. 833, 839–40 (2007), but perhaps more so is the class-based and racialized use of the term to describe neighborhoods deemed undesirable. See Patricia H. Lee, Shattering ‘Blight’ and the Hidden Narratives that Condemn 56, 62 (unpublished manuscript on file with the author).

10. ALEXANDER, supra note 5, at 14–15.

11. ALEXANDER, supra note 5, at 19–20. Some confusion remains about the fact that land banks have evolved from this original purpose of holding land and selling it to investors. See Alexia Fernandez Campbell, Do Parts of the Rust Belt ‘Need to Die Off’, ATLANTIC (Jul. 20, 2016), https://www.theatlantic.com/business/archive/2016/07/rust-belt-survival/492155/ (quoting Galen Newman, a professor of landscape architecture and urban planning, as erroneously suggesting that even today, land banks are permitting absentee wealthy investors to buy up large swaths of real estate and “sit on it for 50 years.”).

12. ALEXANDER, supra note 5, at 20–21. See also PAYTON HEINS & TARIK ABDELAZIM, TAKE IT TO THE BANK: HOW LAND BANKS ARE STRENGTHENING AMERICA’S NEIGHBORHOODS 15, 17 (2014) (noting that while the original land banks “amassed inventories that were comprised primarily of the discarded properties that resulted from an inefficient tax foreclosure process”, contemporary land banks do not “bank land” but instead focus on moving their primarily residential stock into the hands of qualified buyers, the majority of whom are “single family homeowners and nonprofit entities”).
with the goal of halting the increasing impoverishment of Midwestern cities that were once among the most vibrant in the country.\footnote{13}

Starting in 2002, the contemporary land banking movement began in Flint, Michigan, with the founding of the Genesee County Land Bank Authority, and soon thereafter, dozens of other land banks emerged across Pennsylvania, Ohio, Michigan, Illinois, and Wisconsin, as well as in other regions of the country.\footnote{14} These land banks set forth to solve the problems of blight, vacancy, and abandonment that plague the legacy cities of the Midwest.\footnote{15} Though these contemporary land banks have had tremendous success in starting to stem the tide of blight and vacancy in the Midwest, they are not a silver bullet. Funding land banks’ work has proven difficult in some ways, as the already-strained budgets of Midwestern cities often lack the finances to aggressively address blight. Some states have addressed this funding gap by drafting enabling legislation that provides for guaranteed taxation-based sources of funding.\footnote{16} But even where funding is guaranteed, land banks have limited budgets.

As a result, land banks are creatively targeting their efforts to most efficiently use the resources they have available. Rather than trying to save all parts of their cities at once, land banks are increasingly adopting a linchpin neighborhood approach, focusing their attention on certain neighborhoods in the hope of creating community and market stability in nodes and corridors that can then ripple outwards to the struggling surrounding neighborhoods.

This essay examines the linchpin neighborhood approach by arguing that this model of transformative community development is rooted in and has harnessed key insights from two important schools of thought to create


15. While these cities are often referred to as part of the Rust Belt, many land-banking advocates focus on understanding these communities from a broader perspective that recognizes their historical role in the United States. As a result, the term “legacy city” has been adopted to help frame these communities in a more positive light, while providing a collective moniker to use in referring to them en masse. Anderson, supra note 3, at 1133 (invoking the term “legacy city”).

16. For example, the Ohio Land Banking statute provides that counties can vote to provide land banks up to five percent of their biannual delinquent property tax receipts for unrestricted use, offering Ohio land banks the only statutory source of consistent funding. OHIO REV. CODE ANN. § 321.261B (West, Westlaw through 2015–2016 Legis. Sess.). See also GREATER OHIO POLICY CENTER, TAKING STOCK OF OHIO COUNTY LAND BANKS: CURRENT PRACTICES AND PROMISING STRATEGIES 4 (2015), http://greaterohio.org/files/policy-research/greaterohiolandbankreport5-15-15.pdf.
real world change. Part II of this Essay describes the deindustrialization that has plagued the United States’ legacy cities, and argues that the resulting problems have created a crisis that standard economic development practices have been unable to solve. Part III discusses the nature and work of contemporary land banks, arguing that this model of intervention is uniquely suited to the problems resulting from deindustrialization. Part IV argues that land banks have strategically adopted a linchpin approach to resurrecting Midwestern cities, focusing on creating positive synergies in neighborhoods that might help the rest of the city.

Rather than distributing effort evenly across the city or focusing on saving the hardest-hit—but most expensive to rectify—neighborhoods, land banks have instead adopted a data-centric approach to identify tipping-point neighborhoods and target them for intervention. This model is connected to two academic frameworks of property law and land use. First, land banks using the linchpin approach have focused on the goals of the Smart Growth, or New Urbanism, movement of land use planning, which focuses attention on the holistic nature of neighborhoods, creating multi-use, dynamic communities that provide an array of residential, educational, commercial, and recreational assets within close proximity to one another. Second, the land banking movement serves as an excellent example of the law and geography movement in legal scholarship, which focuses on the role of place in shaping law.

In this essay, after identifying the problems shaping the post-industrial Midwest and discussing the land banking movement, I argue that the linchpin approach to land banking leverages two key sources of knowledge—a technocratic, data-focused model of government, and the New Urbanist focus on the role of key neighborhoods—to craft a plan to replace the vicious cycle of blight with a virtuous cycle of reinvestment. In so doing, it demonstrates the practical value of the law and geography movement and highlights the legal importance of place. I additionally review the array of place-based strategies that land banks can use to salvage tipping-point neighborhoods, both by contributing to their improvement and by halting further degradation.

II. THE MYRIAD PROBLEMS OF DEINDUSTRIALIZATION

The deindustrialization of the Midwest has pushed many of the region’s cities into a profound contemporary crisis. Globalization has shifted
a substantial number of jobs overseas, and the anti-union right-to-work movement has relocated many domestic manufacturing jobs from the unionized states of the Midwest to the South, which is more hostile to organized labor. The manufacturing that has remained in the Midwest has become progressively more automated, increasing the productivity of individual workers to the benefit of manufacturers, but simultaneously reducing the workforce needed to achieve the same level of industrial production. The result is that fewer workers without college degrees have access to the kinds of jobs that were the engine of the middle class in the post-World War II era.

These changes to the labor market have most affected blue-collar, lower middle-class workers, whose neighborhoods have suffered dramatic population loss. While overall, metropolitan areas have maintained relatively stable population bases over the last forty years, the working-class central-city neighborhoods in which factory workers resided have lost a substantial portion of their population. Instead, the burgeoning knowledge-based middle class has taken up residency in the sprawling suburbs surrounding these cities, in some places taking advantage of tax incentives that subsidize the costs of maintaining unincorporated town-

19. Id. at 1133–34.
20. Reinvention in the Rust Belt, ECONOMIST (July 11, 2015), http://www.economist.com/news/united-states/21657381-do-former-industrial-cities-midwest-have-future-reinvention-rust-belt. The decline in manufacturing in the Rust Belt Region “started 40 years ago and has accelerated over the past decade. In 1970 employment in manufacturing in America, much of it in the Midwest, accounted for about a third of the labour force. Since then its share has dropped continuously until, in 2010, it accounted for around a tenth of workers.” Id.
Outmigration from the center city has initiated a vicious cycle of decline in the legacy cities of the Midwest. From Scranton and Buffalo, through Cleveland, Akron, and Toledo, and on into Detroit, Flint, and Milwaukee, the loss of industrial jobs has been followed by a reduction in population. The resulting oversupply of housing has led to a drop in demand, reducing property values and undermining the property tax base.\textsuperscript{24} This process has created a seemingly endless cycle of blight and abandonment—fewer jobs require fewer people who need fewer houses and pay less in property taxes.\textsuperscript{25} To maintain fiscal balance, cities raise property tax rates and simultaneously cut services.\textsuperscript{26} Higher taxes and fewer services convince even more people to leave the city, and the vicious cycle persists. Cities that previously were centerpieces of the American Dream have suffered as a result. These communities lack the funds to provide basic upkeep to their cities. Service cuts mean that these cities also struggle to attract new development and businesses that will bring new residents and tax dollars with them, as the high-tax, low-service model offers little appeal.

In a country where numerous cities’ frothy real estate markets see property values rise on a nearly monthly basis, it can be shocking to realize that market failures render houses in some neighborhoods in the legacy cities of the Midwest essentially valueless. Throughout such cities, then, supply far outstrips demand, and the result is that everyone’s house is worth less. In the neighborhoods most impacted by these forces, oversupply often means that properties cannot sell on the market. Instead, owners abandon the houses and stop paying their property taxes. In cities with a normally functioning real estate market, tax foreclosure would stem the tide of blight; a buyer would purchase the property at tax foreclosure sale, pay off the tax lien, and create a maintained property that adds to the tax rolls of the community. In legacy cities, in contrast, oversupply means that property does not sell at tax foreclosure sales. Instead, the community itself is saddled with this property.

\textsuperscript{23} See, e.g., UNIV. OF TOLEDO URBAN AFFAIRS CTR., A STATE OF INEQUITY IN OHIO: FUNDING AND SERVICE DISPARITIES BETWEEN MUNICIPALITIES AND TOWNSHIPS IN MONTGOMERY COUNTY, OHIO, 10 (Dec. 2011) http://www.utoledo.edu/centers/urban-affairs/publications/StateOfInequityInOhio2011.pdf.
\textsuperscript{24} ALEXANDER, supra note 5, at 56; Wyrosdick, supra note 7.
\textsuperscript{25} ALEXANDER, supra note 5, at 56; Wyrosdick, supra note 7.
\textsuperscript{26} ALEXANDER, supra note 5, at 56; Wyrosdick, supra note 7.
The abandonment of valueless homes creates a cascading effect of negative consequences. Scrappers strip metal and fixtures from abandoned houses. The vandalized shell that remains is almost never salvageable. Instead, it becomes a community eyesore, inviting drug activity and sex workers, a degradation process that frequently concludes with arson. These trends existed before the Great Recession, but the subprime lending practices that targeted communities of color led to disproportionate levels of foreclosure in historically minority neighborhoods around the country. Irresponsible bank activity created zombie properties, stuck in foreclosure limbo after defaulting borrowers were told to leave, but banks failed to take complete control of the properties or consummate a sheriff’s sale. The result was even higher levels of abandonment in communities that still have not seen the benefits of the economic recovery that has occurred in less marginal cities.

One perspective would suggest that property becomes valueless as a result of rational market behavior. From a purely economic viewpoint, excess supply and dramatically truncated demand do result in unsellable property. But this narrow vision of reality assumes that communities are much like businesses that fail due to obsolescence, and that the harshness of the market is morally neutral in choosing winners and losers. Yet communities are not like businesses—they cannot just shut their doors and send away the people who remain despite an era of profound decline. Overreliance on the market as the determinant of whether a community warrants continued investment disregards the actual people living in struggling communities who suffer from the consequences of property devaluation.

Even if we assume that the market alone cannot solve the problems of blight and vacancy that plague Midwestern legacy cities, we should not declare such communities a lost cause. Collective resignation is fundamentally inhumane and represents a national decision to abandon communities and people that are already marginal in many ways.

27. Rick Rothacker & David Ingram, Wells Fargo to Pay $175 Million in Race Discrimination Probe, REUTERS (July 12, 2012), http://www.reuters.com/article/us-wells-lending-settlement-idUSBRE86B0V20120712
30. But see Campbell, supra note 11 (interviewing scholars who maintain that shrinkage of cities is inevitable in the Rust Belt, and that communities should present hard choices to citizens who must choose between living in no-service abandoned neighborhoods or relocating to denser areas of the city in which services remain).
31. From the perspective of property theory, the choice to disregard already suffering, economically marginal communities invokes Andre Van Der Walt’s concern that property law must not only
Cynic might conclude that these problems are hopeless, and that the legacy cities of the Midwest should just abandon their attempts at improvement, substantial efforts are under way nationwide to help these communities recover. The question then is how to do so.

As the resources available in such communities diminish due to a shrinking tax base, addressing the consequences of decline with only local funding sources is untenable. The fiscal constraints that result from economic and population decline render cities fundamentally broke and unable to marshal the resources needed to solve these problems. Choosing to treat these cities as lost causes is short-sighted, as these smaller struggling communities can become regional economic engines, much as Pittsburgh has exemplified in the last twenty years. Without a concerted effort to address the consequences of deindustrialization in Midwest cities, vacancy, abandonment, and blight will continue to degrade the value of property within this region, creating a downward spiral of decline and depopulation.

III. LAND BANKING: A NOVEL SOLUTION TO THE STRUGGLES OF LEGACY CITIES

Contemporary land banks evolved to address the land-based aspects of this array of problems. Spread throughout the cities and counties of the Eastern United States, but concentrated in the Rust Belt, deindustrialized New England, and depressed communities of the South, land banks are tools to help increase the profitability and viability of real estate and economic development projects. Land banks operate as quasi-governmental entities with a range of powers. The enabling legislation that created land attend to people at the center of power in society, but also those who occupy the margins. See generally ANDRE VAN DER WALT, PROPERTY IN THE MARGINS (2009). Certainly Rust Belt economic trends and sentiments of disaffection are observed to have played a role in the erosion of the Midwestern “Blue Wall” in the presidential race of 2016, resulting in white, blue-collar voters in Ohio, Pennsylvania, Michigan, and Wisconsin defecting from the Democratic party and contributing to the election of Donald Trump. See Amy Walter, How Trump Broke the Blue Wall, THE COOK POLITICAL REPORT (Dec. 9, 2016), http://cookpolitical.com/story/10191. But see Jonathan Rodden, “Red” American is an Illusion. Postindustrial towns go for Democrats, WASH. POST., Feb. 14, 2017 (arguing that urban areas of “Red” America, even in small urban areas, continued to vote Democratic in 2016).

32. Fraser, supra note 22.
33. Id.
34. HEINS & ABDELAZIM, supra note 12, at 19 (providing a map that identifies sites of operating land banks).
35. In Ohio, land banks are statutorily charged with four roles:
1. Facilitate the reutilization of vacant, abandoned, and tax-foreclosed real property; 2. Efficiently hold and manage vacant, abandoned, or tax-foreclosed real property pending its reutilization; 3. Assist entities to clear the title of property and assist with coordinating and assembling properties; and 4. Promote economic and housing development in the county or region.
banks streamlined property tax foreclosure processes, empowering land banks to acquire tax delinquent properties and cleanse their titles. Mar-
ketable title in hand, land banks then address the management and disposi-
tion issues that such properties pose, moving the properties into the hands of end users and restoring them to the productive tax rolls. Where property can be rehabilitated, land banks are integrally involved in transferring the land to private owners to do this work, or at times will complete the reha-
bilitation and sell the improved property. Where abandonment and blight have left the property unfixable, land banks will facilitate demolition, and typically transfer the vacant lot to a private owner to maintain.37 Land banks increasingly play a role in helping homeowners keep up with the maintenance on their houses, having realized that unmaintained, occupied property is already on the slide toward blight and abandonment.38 Whether through rehabilitation, demolition, or repair efforts, land banks attempt to leverage a host of resources in order to stem the tide of blight in their communities.39

In an era when many people view government as fundamentally sus-
psect, the design of land banks as quasi-governmental agencies that leverage government powers and some of the freedoms of the non-profit sector pro-
vides a model for government responsiveness to community needs. County land banks are not operating in an insular, local fashion, however. The federal government has substantially invested in the work of land banks by providing significant financial support through the Hardest Hit Funds,

GREATER OHIO POLICY CENTER, supra note 16, at 3.
36. ALEXANDER, supra note 5, at 20–22. For example, Ohio’s enabling legislation provides that Ohio’s land banks can “[t]ake title to properties that are more than two years delinquent on property taxes, local government fines or fees, or has [sic] severe and chronically unabated code violations.” GREATER OHIO POLICY CENTER, supra note 16, at 3 (citing OHIO REV. CODE ANN. §§ 1724.02(b), 5722.01(F) (West, Westlaw through 2015–2016 Legis. Sess.)). It also allows for land banks to create a clean title by “extinguish[ing] all private mortgages, liens, and state and local taxes and fees.” GREATER OHIO POLICY CENTER, supra note 16, at 4 (citing OHIO REV. CODE ANN. § 5723.12(C) (West, Westlaw through 2015–2016 Legis. Sess.)).
37. Side lot programs, whereby next-door neighbors of demolished houses can acquire a greened vacant lot at a very reasonable price, are the bread-and-butter of many land banks. The Butler County Land Bank in Ohio transfers side lots to the owners of neighboring properties; the new owner usually builds a driveway and garage to complement their 19th century property. The result is fewer cars on the streets and increased property values, which bolster tax rolls. GREATER OHIO POLICY CENTER, supra note 16, at 14.
38. See discussion of land banks’ property maintenance programs, infra at notes 72–73.
39. Importantly, most land banks maintain some control over property once it is transferred to a new end user in order to ensure that the property is not re-blighted. These clawback mechanisms have been the subject of some critique. See generally Emily M. Morrison, Comment, Bank on It: Preventing Re-Blight and Avoiding Costly Litigation in Modern Land Banking, 48 U. TOLEDO L. REV. 301, 150–166 (2017) (arguing that while land banks should have a mechanism for preventing re-blight of distributed properties, current mechanisms inadequately protect defaulting landowners and warrant reform).
which is the last surviving initiative of the Troubled Asset Relief Program. While Hardest Hit Funds initially focused on helping people who were underwater on their mortgages, state housing finance authorities, in partnership with land banks, successfully advocated to use the funds to address broader housing trends in hard-hit communities. The Department of the Treasury made five rounds of Hardest Hit Fund grants to support the work of land banks in eliminating blight by funding the demolition of unsalvageable properties. This program models a tangible means by which the federal government engaged with the relatively localized housing and economic problems facing the Midwest.

While land banks have been successfully engaged in this demolition and rehabilitation work for around fifteen years, many eventually realized that they were operating with insufficient data. Although land bank staff had substantial experience to justify their decision-making about how to best serve their communities, honest staff members will now admit that they were largely operating on the basis of mostly accurate hunches rather than hard data. In 2012 and 2013, some land banks decided to obtain the data needed to quantify the decisions they were making. The Cuyahoga County Land Bank was the first to undertake a mapping project, through which staff and volunteers surveyed each property in the county to grade its blight status. Community surveys followed in a number of other cities. In

40. The Obama administration created the Hardest Hit Fund “to provide targeted aid to families in states hit hard by the economic and housing market downturn.” Hardest Hit Fund: Program Purpose and Overview, U.S. DEPT. OF THE TREASURY, https://www.treasury.gov/initiatives/financial-stability/TARP-Programs/housing/hhf/Pages/Program-Purpose-and-Overview.aspx. HHF funds supported state housing finance authorities as they attempted “to develop locally-tailored foreclosure prevention solutions” for areas harmed by the economic crisis. Id. Funds were initially made available to support mortgage payment assistance for unemployed people, principal reduction, housing transitions, and blight elimination.

41. Research from the Cleveland area demonstrated to the Treasury that blight demolition “had an overall positive effect on home values and was strongly associated with preservation of homeownership (i.e., reduction in mortgage foreclosure rate).” DYNAMO METRICS, ESTIMATING DEMOLITION IMPACTS IN OHIO: MID-PROGRAM ANALYSIS OF THE OHIO HOUSING FINANCE AGENCY’S NEIGHBORHOOD INITIATIVE PROGRAM 4 (2016) (citing an earlier study that documented the effects of blight elimination and was used to convince the Treasury Department that demolition served economic stabilization goals; NIGEL G. GRISWOLD ET AL., ESTIMATING THE EFFECT OF DEMOLISHING DISTRESSED STRUCTURES IN CLEVELAND, OH, 2009-2013: IMPACTS ON REAL ESTATE EQUITY AND MORTGAGE-FORECLOSURE (2014), http://www.neighborhoodindicators.org/library/catalog/estimating-effect-demolishing-distressed-structures-cleveland-oh-2009-2013).

42. OHIO HOUSING FINANCE AGENCY, NEIGHBORHOOD INITIATIVE PROGRAM GUIDELINES 11 (June 27, 2016), https://ohiohome.org/savethedream/documents/NeighborhoodInitiative-Guidelines.pdf (detailing the five rounds of funds made available through Ohio’s allocation of the Hardest Hit Fund).

43. David Mann, President, Lucas County Land Bank, Speech at University of Toledo College of Law (Nov. 2, 2016).

44. Since that time, Detroit, Toledo, and a number of other communities’ land banks have undertaken a similar initiative. The resulting data sets are a treasure trove for scholars of many disciplines, as they have been made publicly available on the land banks’ websites. See generally The Toledo Survey:
each survey, the land banks assessed each property according to various indicators such as peeling paint, foundation defects, landscaping overgrowth, roof problems, and other potential deficits. They took a photo from the curb of each house and assigned a grade to the property, A through F, to synthesize the data into a single indicator. The land banks then used Geographic Information Systems software to spatially attach all of the data to maps and uploaded all of this information into a central system. They cross referenced the data with maps that allowed data to be viewed both narrowly and broadly, parcel-by-parcel, block-by-block, neighborhood-by-neighborhood, or as the entire city. Some cities further enhanced this data by supporting data portals that merged the results of blight mapping surveys with other data from tax authority, police reports, nuisance citations, census data, and other sources to create a comprehensive, data-driven picture of each parcel in the city.45 Again, this data can be analyzed at various levels, allowing both microscopic and macroscopic views of the city and its blight, abandonment, and vacancy problems. With this data in hand, land banks have become technocratic experts in the location and intensity of blight in their communities, and as a result, are better equipped to tailor their interventions to remediate the consequences of vacancy and abandonment.

IV. SALVAGING LEGACY CITIES THROUGH A LINCHPIN APPROACH

Contemporary land banking took root in an era when the New Urbanism and Smart Growth schools in urban planning and the law and geography movement in legal scholarship, fundamentally altered the background conversation regarding the conditions under which communities thrive. These theoretical approaches, combined with the empirical data that land banks recently generated, have laid the groundwork for land banks to strategically target their work in the most efficient manner. In this section, I describe the targeted model that land banks have recently begun to pursue to save the cities of the post-industrial Midwest, and I argue that this focus


45. See generally ALAN MALLACH & CENTER FOR COMMUNITY PROGRESS, NEIGHBORHOODS BY NUMBERS: AN INTRODUCTION TO FINDING AND USING SMALL AREA DATA 14–37, 50 (2017)(cataloguing the array of data sources available for local governments and community-based organizations to use in shaping their revitalization approaches and documenting how cities have created integrated data portals), http://action.communityprogress.net/p/salsa/web/common/public/signup?signup_page_KEY=10601.
is a savvy policy decision designed to leverage data and scholarly insights in a practical way.

Through the use of their sophisticated data sets, land banks have begun to identify the levels of vacancy and abandonment that correlate with negative neighborhood outcomes. While the figure varies from community to community, when roughly 4% of houses become vacant or abandoned, long-term neighborhood effects of the blight cycle are noticeable. Land banks have taken this information, combined with their data sets, to identify what they refer to as “tipping point neighborhoods.” Tipping point neighborhoods are those that are either on the cusp of failing, or have just crossed the line into a failing status. Land banks have realized that in a resource-limited environment, they cannot simultaneously salvage all of the neighborhoods in a single city. Rather, they have started to use these data sets to identify neighborhoods where they can get “the most bang for their buck,” by either preventing the slide of tipping point neighborhoods into a blighted state, or by bringing back from blight neighborhoods that have just passed the tipping point.

In making these strategic decisions, land banks have internalized a key insight of the New Urbanist movement of land use planning: communities should focus their energies in key neighborhoods that function as development nodes in an effort to revitalize the city in a stepwise process. This linchpin approach—which views individual neighborhoods as playing potential transformative roles—can leverage limited fiscal resources to try to create positive forward-looking energy within a city, in the hope that it becomes contagious and spreads through nearby areas. Instead of spreading all resources uniformly throughout a community, the linchpin approach calls for concentrated investment of funds via multiple targeted strategies designed to leverage the best aspects of a community. This linchpin approach and its focus on neighborhoods near the tipping point did not evolve in a vacuum. Rather, land banks have become sites of technocratic governmental expertise, in which lawyers and urban planners leverage the best insights of their disciplines in an effort to shore up the struggling cities of

46. Specifically, at four percent vacancy or abandonment, one Baltimore nonprofit observed that its local neighborhoods stop experiencing any growth, which creates a downward cycle of increasing vacancy and abandonment, since additional residents do not want to move into the neighborhood. See Seema Iyer, Associate Director, Baltimore Neighborhood Indicators Alliance, Speech at Reclaiming Vacant Properties Conference, (Sept. 29, 2016). While that precise figure will likely vary based on local economic conditions, data could be similarly used in communities around the country to identify the sweet spot for stemming the tide of vacancy and abandonment.

47. Heins & Abdelazim, supra note 12, at 16–18 (discussing best practices and strategies that high-performing land banks use to accomplish their goals.)
Middle America. These ideas in themselves are inspiring for communities that are in the midst of this struggle, because of the hope that neighborhoods might be brought back, and with them, whole cities. However, this linchpin approach also complements the reality of fiscal constraints that are part of life in these communities. Land banks are therefore the progenitors of savvy urban development happening in districts of communities, not uniformly across the municipality. In adopting this strategy, land banks provide a clear example of the value of the law and geography movement in legal scholarship, demonstrating how law is not universal but instead spatial in its application and impact.

A. New Urbanism

While Euclidean zoning was the engine of land planning in the early part of the twentieth century, late twentieth century urban planners strongly critiqued the Euclidean model and continue to do so. Segregation of uses too frequently led to sprawl, traffic congestion, and the spreading of economic resources too broadly over a wide metropolitan area. Negative consequences to people resulted as well. Zoning prioritized a segregation of uses that advanced low-density, single-family dwellings, to the detriment of a more holistic understanding of land use, leading to the segregation of people by race and socioeconomic status.

The rise of New Urbanism as a force within urban planning has fundamentally altered the goals that planners pursue in designing cities. Contemporary urban planning approaches have shifted their focus away from simply segregating uses, and instead prioritize the ways in which the built environment shapes the lives that citizens are able to live. New Urbanist approaches focus on strategic development, or Smart Growth, which create smaller scale, mixed-use, and transit- or walking-friendly neighborhoods. In this model, communities focus development on nodes or corridors in which desired amenities are concentrated. These efforts are often referred

to as place-making, based on the idea that concentrated policy efforts can create the kinds of neighborhoods that prove desirable to a wide swath of people.\textsuperscript{52}

Land banks’ increasing attention on specific neighborhoods reflects this set of goals. By recognizing that real neighborhoods have a greater value to their residents than simply the resources present in them, and that localized demand in particular neighborhoods can be created even in low-demand legacy cities, land banks are leveraging New Urbanism to solve Midwestern problems. Land banks have started to focus their efforts not only on housing stock, but also on helping shape the nearby commercial corridors that are integral to the appeal of multi-use zones as distinct places.

\textbf{B. Law and Geography}

The Law and Geography movement is an innovative, interdisciplinary school of legal scholarship that has evolved over the last twenty years. By bringing the study of geography and its focus on the interrelationship of place, space, and scale into legal analysis, legal geographers are asking law to respond to the fact that legal issues arise in particular places.\textsuperscript{53} Legal geography has been defined as a “stream of scholarship that makes the interconnections between law and spatiality, and especially their reciprocal construction, into core objects of inquiry.”\textsuperscript{54} Legal geographers therefore focus on the connection between the social and spatial relationships created by human interactions with our surroundings.\textsuperscript{55} At its core, legal geographers understand the law to always be “worlded” because it is connected to “social spaces, lived places, and landscapes.”\textsuperscript{56} The connection between law and geography invites considerations of physical, hard sciences, human or social sciences, and the law itself.\textsuperscript{57} Law and geography therefore allows for the mapping of human interactions onto their physical surroundings. While scholars have identified law and geography as inviting cross-

\textsuperscript{52} Asmara M. Tekle, Rectifying These Mean Streets: Percent-for-Art Ordinances, Street Furniture, and the New Streetscape, 104 KY. L.J. 409, 440 (2016) ("Placemaking is an urban design ethos that aims to transform "placeless" generic or negative urban spaces into animated and distinct public places, often by examining or referring to geographic, historical, and social context.").


\textsuperscript{54} Irus Braverman, Nicholas Blomley, David Delaney & Alexandre (Sandy) Kedar, Introduction: Expanding the Spaces of Law, in THE EXPANDING SPACES OF LAW: A TIMELY LEGAL GEOGRAPHY 1 (Irus Braverman, Nicholas Blomley, David Delaney & Alexandre Kedar eds., 2014).

\textsuperscript{55} Id.

\textsuperscript{56} Id.

\textsuperscript{57} Id.
disciplinary, interdisciplinary, and post-disciplinary research, it is this final model that is most promising when considering the relevance of law and geography to the work of land banks.\(^{58}\) Crucially, law and geography reflects the critical and socio-legal scholarly insight that “law can properly be understood only by reference to its place in, and relationship to, social, economic, and ecological systems” and critiques “portray[als of] law as deaf to material, physical, spatial, and cultural influences”, responding by adopting a set of geographical and spatial concerns.\(^{59}\) This preoccupation with how law functions in a local fashion requires a localized, not global, response that fundamentally lies at the heart of the linchpin approach, reflecting the knowledge that law both has a physical presence and shapes physical conditions.\(^{60}\)

The kind of post-disciplinary work that typifies law and geography is not concerned with being housed in a particular discipline; its preoccupation is in addressing problems that are broader in scope and more pressing in nature. It is this aspect of legal geography that land banks most evidently embrace. Fundamentally, land banks are not academic research organizations. Their research is contextual and specific, designed to serve their missions. They are public actors focused on policy making and problem solving. When land banks collect data to understand blight in particular locations within a community, it is a reference to the extent that post-disciplinary academic work can transcend academic taxonomies and instead leverage real knowledge to help focus on the big picture. Land banks’ efforts to solve the large-scale problems facing legacy cities can be viewed as connected to this kind of engagement. Land banks are using mapping to site communities’ problems in specific, situated ways. Rather than viewing law as a tool of abstraction, they understand their legal authority to grant them an array of powers that can help solve particular problems. The tipping point model that land banks use is fundamentally one that emerges from law and geography—understanding their legal powers and the specific interventions described in the next section as a range of law-based solutions to “worlded” problems that arise in particular neighborhoods or communities.

\(^{58}\) Id. at 2–12.

\(^{59}\) Jane Holder & Carolyn Harrison, Connecting Law and Geography, in LAW AND GEOGRAPHY: CURRENT LEGAL ISSUES VOL. 51 (2002).

\(^{60}\) Id. at 5.
V. LINCHPIN APPROACHES IN ACTION

Embracing the reality that blight and its solution are both local phenomena, land banks have creatively adopted a host of strategies to support their efforts to save tipping point neighborhoods from become irredeemably blighted. This section of the Article discusses some of the approaches that land banks have enlisted to try and salvage particular districts of a city, in the hope that some synergy might result and spread into surrounding areas. It will first highlight a concrete tipping-point initiative, and then will describe housing stock stabilization efforts, rehabilitation, demolition, targeted nuisance enforcement schemes, and focused city planning initiatives, all of which can be used to help create vital linchpin districts that can support broader revitalization efforts.

The Lucas County Land Bank’s RISE Program is one excellent example of a tipping point approach that is designed to embrace New Urbanist insights. Rebuild Invest Stabilize Engage (“RISE”) is a new initiative designed to target land bank resources in a specific geographic area for a sustained period of time, in order to “[h]elp stabilize the real estate market and preserve property values[;] [b]uild on resident-led momentum to advance neighborhood quality of life[; and] [e]ncourage a sense of place and community.”61 The new RISE program has targeted the Library Village community in Toledo, Ohio. Library Village is a dense, working and middle-class residential neighborhood of craftsman-style bungalows that is near a strong commercial corridor.62 It has a higher level of owner-occupancy than many neighborhoods in the city, and has two neighborhood organizations that provide resident-led initiatives to improve the community.63 Several factors make Library Village an ideal expression of the values of New Urbanism. First, the presence of residential and commercial real estate creates the kind of mixed use that New Urbanists have identified as ideal for building functioning communities. Second, owner occupancy and community organizations demonstrate a level of community engagement that can be a catalyst for deepening. Third, Library Village is an existing neighborhood with an identity; it is already a place in the urban ecosystem of Toledo, rather than just being an anonymous group of interchangeable houses.

62. Id.
63. Id.
As part of the RISE initiative, the Lucas County Land Bank has announced that it will provide matching grants to property owners to encourage them to make repairs to their homes. It will offer grants to small businesses to stimulate investment in the commercial corridor. The Land Bank itself will renovate around a dozen vacant homes and market them for owner occupancy. Finally, it has committed to partnership with both the neighborhood association and the block watch program to ensure that citizens as well as the Land Bank itself are engaged in the efforts to revitalize the neighborhood.

The RISE program’s commitment to a single neighborhood in Toledo highlights a number of crucial linchpin strategies that land banks are using to try to help rejuvenate struggling cities in the Midwest. First, investing funds in the maintenance and improvement of existing homes and businesses is a central land bank approach rooted in a complex set of community problems. While some neighborhoods have managed to maintain a reasonably high level of owner occupancy, these relatively stable working- and middle-class neighborhoods have housing stocks that are slowly degrading over time due to a number of social circumstances. The Great Recession exacerbated existing problems of neighborhood blight and vacancy, which together have reduced the value of these owner-occupied properties such that owners have deferred necessary maintenance. As baby boomers age in place, often on fixed incomes, the combination of lower property values and lack of personal financial assets have made it difficult for owner-occupants to afford routine maintenance on their houses. Where owners in neighborhoods with stable property values might at times use home equity lines of credit to finance such repairs over a period of years, drops in home equity make such loans unavailable to owners in neighborhoods with declining property values. The result in such neighborhoods is an odd disjoint in which owners maintain well-groomed lawns and flowerbeds, which surround a house that might have badly peeling paint or a failing roof. When those necessary repairs are out of the owners’ financial reach, the neighborhood is at risk for further declining property values.

Land banks know that if these long-term maintenance issues are not addressed, they degrade the overall quality of the neighborhood, reducing neighbors’ incentives to maintain their own properties. These houses with deferred maintenance issues are also at risk of sliding into blight and va-

64. Id.
65. Id.
66. Id.
67. Id.
cancy. If the owner-occupant attempts to sell, or dies and leaves the property to family members who try to sell, the impending costs of deferred maintenance may make the house essentially unmarketable. In some instances, these unmarketable houses will become vacant or abandoned, placing them at risk for scrapping and other factors that lead to rapid decline. Eventually, the property becomes unsalvageable and its blight can only be rectified by demolition.

In order to prevent this cascade of effects, land banks have been working to stabilize the existing owner-occupied housing stock in creative ways. In some instances, land banks have worked with community foundations to fund low-interest loans for owners who wish to perform maintenance. In other cases, land banks have partnered with banks to secure low-interest financing streams for qualified community members. They also can serve as a source of free technical assistance to help owners identify needed work and qualified contractors to perform it. In some instances, land banks also work with business owners to support renovation and improvement efforts. Stabilizing a functional commercial corridor near existing housing stock can contribute substantially to the placemaking efforts that are the focus of New Urbanist approach to land planning.

Land banks also use rehabilitation as a strategy to stabilize communities and property values therein. Research has documented that while blighted, abandoned houses drag down the property values of surrounding houses, rehabilitation can preserve and even raise property values of nearby

68. It is important to note that in these communities, even well-maintained homes for sale in the most stable neighborhoods might wait months for a buyer. Legacy cities such as Detroit are saddled with low-value, high-tax housing stocks that make the purchase of land unappealing, thereby resulting in substantial numbers of abandoned properties that have been transferred to public ownership. See Alan Mallach, Property Tax Madness; Another Part of the Detroit Puzzle, Rooflines: The Shelterforce blog, Sept. 5, 2013, http://www.rooflines.org/3410/property_tax_madness_another_part_of_the_detroit_puzzle/.

69. David Mann, president of the Lucas County Land Bank, has observed that even reasonably maintained houses that are abandoned can slide into an irremediable blighted status within two years. Once water enters the property, it is often not worth rehabilitation costs. Mann, supra note 43.


71. Lack of access to affordable loans to fund repairs has made it difficult for homeowners to complete expensive repairs; tightening credit markets since the end of the Great Recession has only exacerbated this problem. The Lucas County Land Bank has identified banks willing to work with homeowners to complete these repairs. Heritage Home Program in Lucas County, Lucas County, http://co.lucas.oh.us/DocumentCenter/View/49863 (last visited Jan. 3, 2016).

72. See supra note 61.

73. This is part of the RISE program’s efforts in Library Village in Toledo, as mentioned above.
parcels. Land banks accomplish rehabilitation in two distinct ways. First, and most commonly, land banks obtain tax delinquent properties and sell them at bargain prices to people who demonstrate the financial and technical ability to complete a rehabilitation project. Citizens thereby invest relatively small amounts of money and somewhat larger quantities of sweat equity to create livable properties in these cities. Second, land banks will at times obtain the houses themselves, hire contractors to complete the renovation, and then sell rehabilitated properties on the market. To the extent that these rehabilitation efforts are concentrated in linchpin neighborhoods, they can play a vital role in stabilizing tipping point areas.

In some instances, houses cannot be rehabilitated. In those cases, land banks leverage an economy of scale to accomplish low-cost demolitions within the communities they are targeting. Demolitions serve two purposes. First, demolition can eliminate the blight that may cause others to fail to invest in their own properties, stabilizing the surrounding neighborhood. Second, and more transformatively, demolitions can help solve the problem of excess supply and low demand. By reducing the number of housing units in a city, demolitions can alter the economic fundamentals of a tipping point neighborhood, driving up demand by reducing supply. This can play a notable role in helping property values stabilize.

Additionally, nuisance enforcement mechanisms allow communities to use existing law to bring housing stock into code compliance, helping land banks to turn around linchpin neighborhoods. Targeted nuisance enforcement can be approached in several ways. In some communities, the land bank itself has internalized nuisance litigation and focuses its nuisance

74. DYNAMO METRICS, LLC & CLEVELAND COMMUNITY PROGRESS, DECISION SUPPORT FOR PROPERTY INTERVENTION: REHAB IMPACTS IN GREATER CLEVELAND, 2009–2015 10 (2016) (documenting that rehabilitated properties raise property values in the surrounding community by a substantial margin, with an average impact of $498,907 per rehabilitated property in the greater Cleveland area over the years of the study).

75. The Detroit Land Bank both auctions houses and sells houses immediately to buyers, all of whom must complete rehabilitation (or in some cases demolition) of the property within a specified timeline. See Auctions, BUILDING DETROIT, http://auctions.buildingdetroit.org/Home. However, buyers must meet stringent eligibility criteria, including demonstration that the buyer has not been delinquent with other properties. See FAQ for Property Auction, BUILDING DETROIT, http://auctions.buildingdetroit.org/Faq. In Toledo, eligible buyers must also demonstrate that they have the financial ability to accomplish the rehabilitation of the property.

76. When land banks internalize the rehabilitation work, they broaden the appeal of land bank properties. The obligation to rehabilitate a house may be financially prohibitive for some possible buyers. Even for people who may have the economic means to afford a rehabilitation, the logistics of hiring people to do it or handling a major do-it-yourself project may scare them away. Land banks thereby gain access to a different segment of the market when they sell rehabilitated properties. The Detroit Land Bank’s “Rehbabed and Ready” program can be viewed at http://auctions.buildingdetroit.org/RehhabbedAndReady.

77. DYNAMO METRICS, supra note 41.
enforcement efforts in the linchpin neighborhood in order to compel derelict property owners to maintain their properties. In other places, the land banks work in partnership with the City Attorney’s office to identify neighborhoods for focused nuisance enforcement. Another set of communities has elected to partner with neighborhood Community Development Corporations or other non-profit groups, which leverage the energy of their volunteers and community constituents to bombard city enforcement offices with nuisance reports, in an effort to compel the city to use its citation and litigation authority to help clean up targeted neighborhoods. In all of these instances, the land banks conceptualize nuisance law as a parallel mechanism to their more traditional demolition and rehabilitation functions. Nuisance and code enforcement are strategies to improve the quality of housing and commercial properties that are not subject to land banks’ tax foreclosure authority, thereby putting the entire linchpin neighborhood on an upward trajectory of higher quality.

Land banks are also thinking creatively about the planning authority of their communities as a way to shape the long-term land use vision to support linchpin development. To the extent that building permits, zoning changes, use permits, and other land planning controls can only be granted if they are consistent with a city’s comprehensive plan, land banks can strategize with their cities to ensure that the comprehensive plan supports place-making and nodal or corridor development efforts. If landowners then seek permits to develop land in a manner inconsistent with the long-term vision of the community, incompatibility with the comprehensive plan is used as a justification to deny the sought permit.

VI. CONCLUSION

The cities of the post-industrial Midwest will continue to grapple with the many consequences of changes to the labor market and the resulting migratory patterns that have shifted the center of American life away from cities like Detroit and Cleveland and toward the Sunbelt. But the many millions of people who continue to reside in these legacy cities are hungry for solutions to the problems plaguing their communities. The targeted work of land banks to help cities rebound is a meaningful contribution to

78. This is the model that the Detroit Land Bank has used. See Nuisance Abatement, BUILDING DETROIT, http://www.buildingdetroit.org/our-programs/nuisance-abatement/. Memphis, Tennessee, does something similar, but uses a cadre of law student interns from a law clinic at the University of Memphis Law School as the litigating attorneys to bring the enforcement suits against nuisance-causing landowners. See Neighborhood Preservation Clinic, UNIV. OF MEMPHIS, http://www.memphis.edu/law/programs/neighborhood-preservation-clinic.php.
this regional need. Land banks’ efforts to catalyze community change by using targeted interventions to change the trajectory of cities, one neighborhood at a time, offers the best chance for Midwestern cities to regain their footing, becoming again the vibrant communities that they once were in their heyday. As this essay demonstrates, this approach is both well-grounded in academic theory and demonstrated by real world application.