

# RESPONDING TO CRISIS: BUILDING AN EQUITABLE AND RESILIENT FUTURE

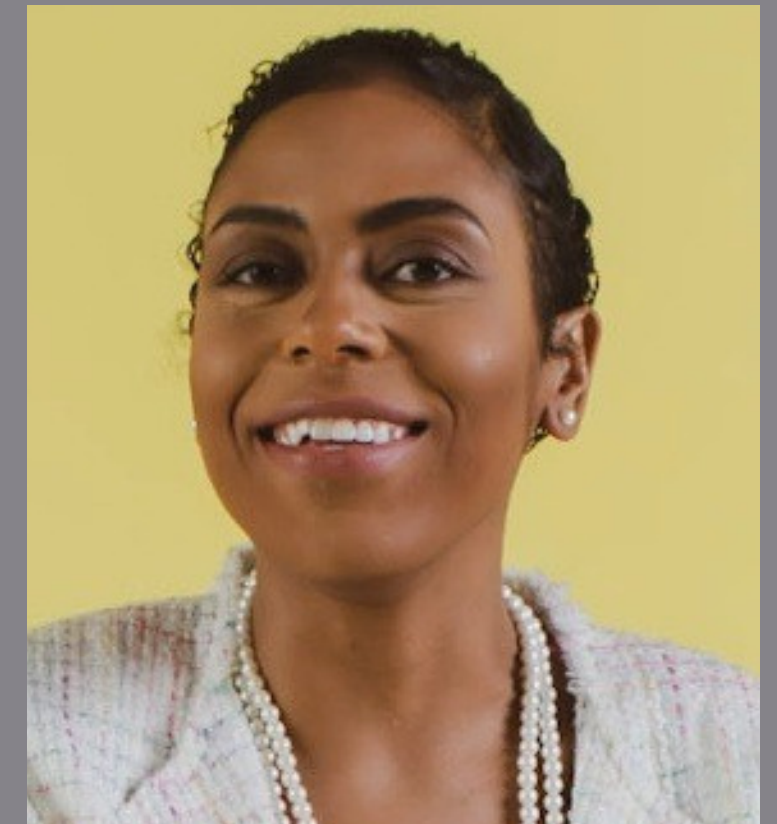
## Designing Programs for Equitable, Effective Neighborhood Stabilization



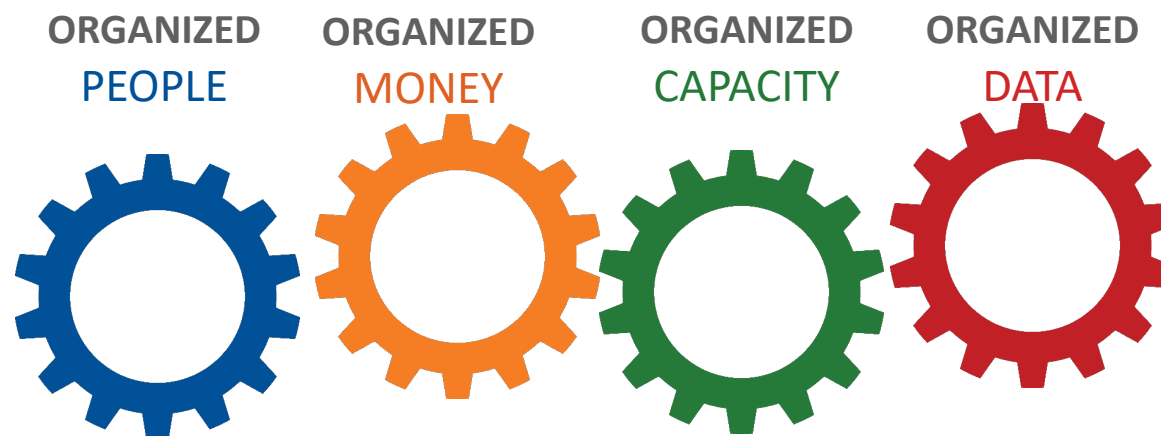
Emily Dowdall  
Reinvestment Fund



Karen Black  
May 8 Consulting, Inc



Christa Stoneham  
Houston Land Bank



## Reinvestment Fund

National mission-driven financial institution that creates opportunity for underserved people and places through partnerships. We marshal the capital, analytics, and expertise necessary to build strong, healthy, and more equitable communities.

**\$2.4 billion** in cumulative investments and loans since 1985, Supported by over **830 investors**.

The Policy Solutions team conducts research to inform and evaluate programmatic, legislative, and investment decisions by public and nonprofit sector partners.

[www.reinvestment.com](http://www.reinvestment.com)

 @reinvestfund



# Methodology

Best Available Data

Relevant Metrics

“Quick & Basic”



# Analysis Components

**Neighborhood Characteristics**

**Program Activity Characteristics**

**Stabilization Metrics**





# Neighborhood Characteristics

MVA Category (if available)

Income

Race /Ethnicity

Sale Price

Housing Unit Density



# Program Activity Characteristics



Location of activities



Length of program



Intensity of treatment



# Stabilization Metrics

Vacant Properties

Sale Price

Population

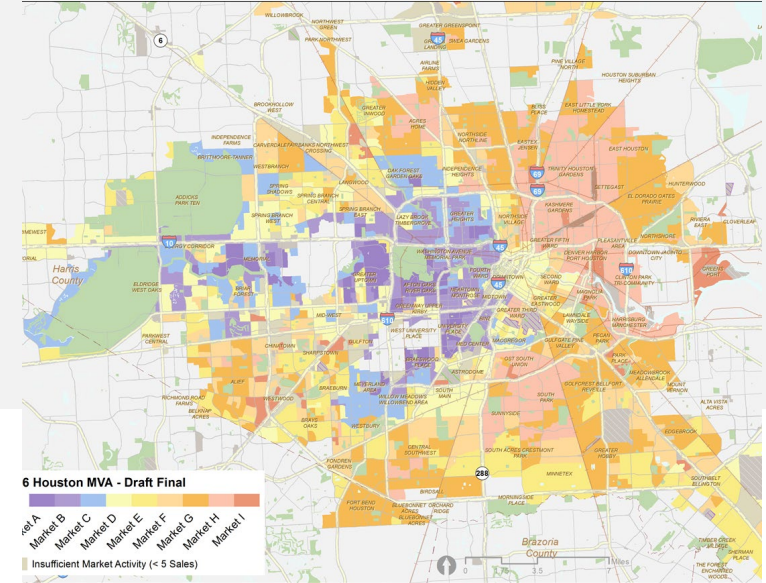
Tenure

Nuisance Violations

Foreclosures



# Houston, TX







# Market Value Analysis (MVA)

	Median Sale Price	Price Variance	Home- Owners	Housing Permits	Percent FCLs	Housing Vacancy	Code Violations	Subsidized Renters	Indust./ Comm Area
A	\$715,627	0.57	81.6%	7.1%	0.2%	2.9%	0.0%	0.8%	9.6%
B	\$412,707	0.52	33.7%	13.4%	0.4%	2.4%	0.1%	0.8%	27.0%
C	\$337,200	0.48	81.9%	3.4%	0.6%	2.6%	0.1%	0.7%	11.4%
D	\$218,961	0.46	31.5%	8.1%	3.8%	2.2%	0.6%	2.6%	41.7%
E	\$149,390	0.44	72.1%	0.5%	3.1%	1.4%	1.3%	5.2%	13.5%
F	\$104,433	0.48	24.4%	1.4%	10.8%	1.5%	0.7%	3.7%	35.4%
G	\$86,096	0.46	65.3%	0.9%	12.8%	2.5%	3.0%	7.5%	19.1%
H	\$53,846	0.61	52.7%	0.8%	75.2%	8.3%	6.1%	7.8%	19.7%
I	\$33,208	0.53	16.3%	0.4%	27.0%	1.5%	0.9%	3.7%	34.8%



# Neighborhood Characteristics

# MVA Categories with Houston Land Bank Activities

	Median Sale Price	Price Variance	Home- Owners	Housing Permits	Percent FCLs	Housing Vacancy	Code Violations	Subsidized Renters	Indust./ Comm Area
F	\$104,433	0.48	24.4%	1.4%	10.8%	1.5%	0.7%	3.7%	35.4%
G	\$86,096	0.46	65.3%	0.9%	12.8%	2.5%	3.0%	7.5%	19.1%
H	\$53,846	0.61	52.7%	0.8%	75.2%	8.3%	6.1%	7.8%	19.7%





# Neighborhood Characteristics & Program Activities

Block groups with *5+ land bank  
properties acquired/resold* from 2010-  
15 compared to same MVA category  
with *no* land bank activity

	MVA F		MVA G		MVA H	
	Treated Areas	Comp. Areas	Treated Areas	Comp. Areas	Treated Areas	Comp. Areas
# Block Groups	3	4	2	3	6	13
Median Income	\$19,300	\$35,000	\$19,600	\$17,800	\$22,800	\$25,800
Housing Units Per Square Mile	1,620	1,440	2,200	1,500	1,200	1,700





## Metrics

- Changes in home sales price 2010/2011 to 2014/2015
- MVA category change from the 2013 Houston MVA to the 2016 MVA
- Limited Administrative data on vacancy, foreclosures



# Findings

## Targeting

“Treated” block groups in MVA category F outperformed their comparable areas in residential sale price change by the largest amount (95% increase compared to 17% )

## Dosage

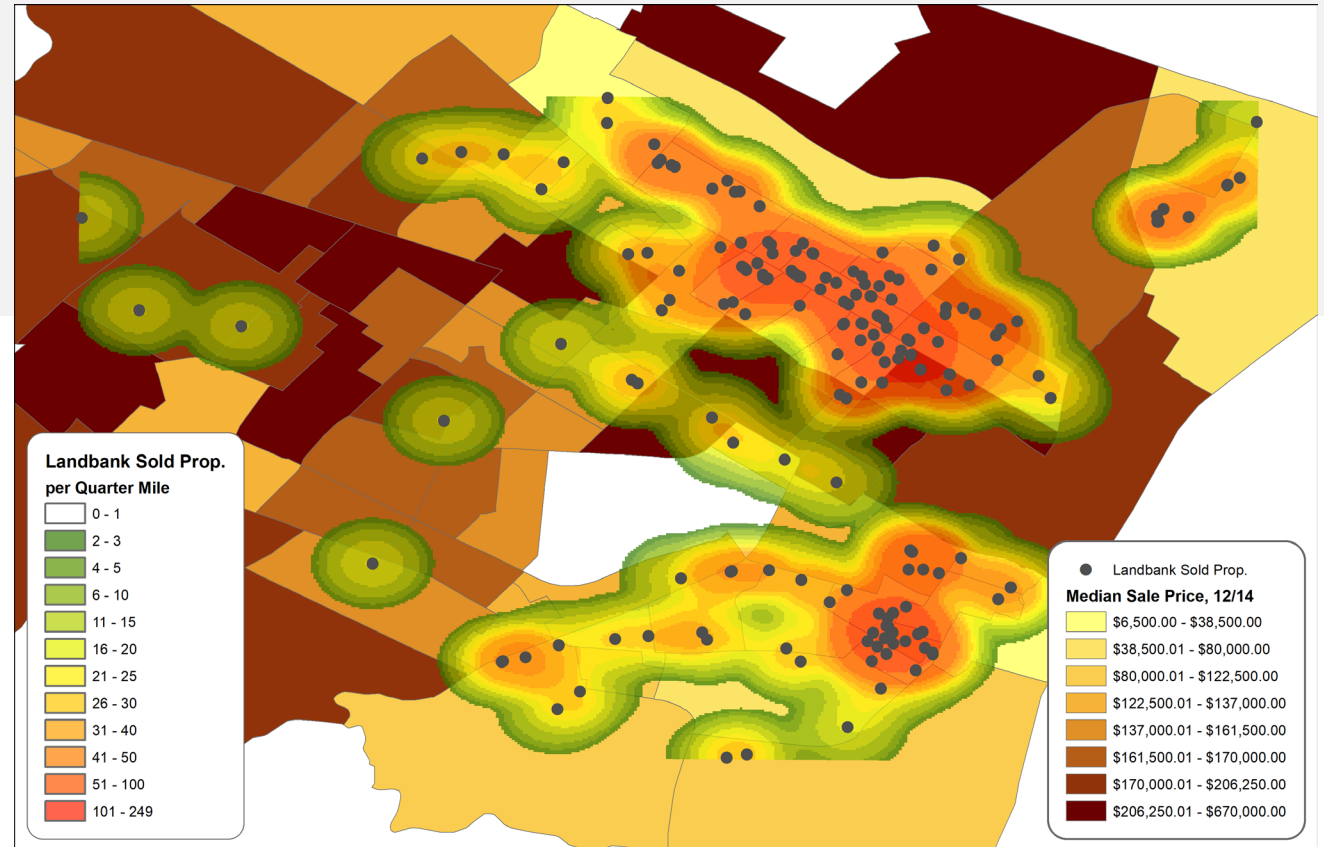
F block groups also had the highest amount of land bank activity of all treated areas

# Albany Land Bank



## Neighborhood Characteristics & Program Activities

- Treated areas: block groups with *at least two land bank properties acquired and resold*
- Comparison areas: block groups with *no* land bank activity from 2015 through 2020 and median sale prices below \$150,000





## Metrics

- Change in Median Sales Price, 2012/2014 to 2018/2020
- % Change in Median Sales Price
- Change in % Vacant Residential Prop., 2013 to 2020
- Change in Vacant Residential Properties

## Findings

- Treated areas saw larger percentage increase in sale prices (40% to 20%)
- Vacancy rate decreased slightly in treated areas (-0.2%), increased in comparable areas (1.3%)

	Treated Areas	Comparable Areas
Average # Land bank Properties Sold	11	0
Median Sales Price, 2012/2014	\$68,800	\$132,400
Median Sales Price, 2018/2020	\$93,500	\$162,200
% Change in Median Sales Price	40%	20%
% Vacant Residential Prop., 2013	7.2%	1.1%
% Vacant Residential Prop., 2020	7.0%	2.3%
Change in Vacant Residential Prop.	-0.2%	1.3%

# Takeaways



## Program Design

- Administrative data if you can get it - Census data can still help if you can't
- Consider how policy goals relate to sub-market context
- Identify locations with both need and strength
- Cluster – particularly in most distressed areas
- Make the case for longer intervention

## Evaluation/Adjustment

- Plan for evaluation during program design
- Track activity locations
- Identify and monitor stabilization metrics
- Use information to adjust, reallocated, or apply new resources.

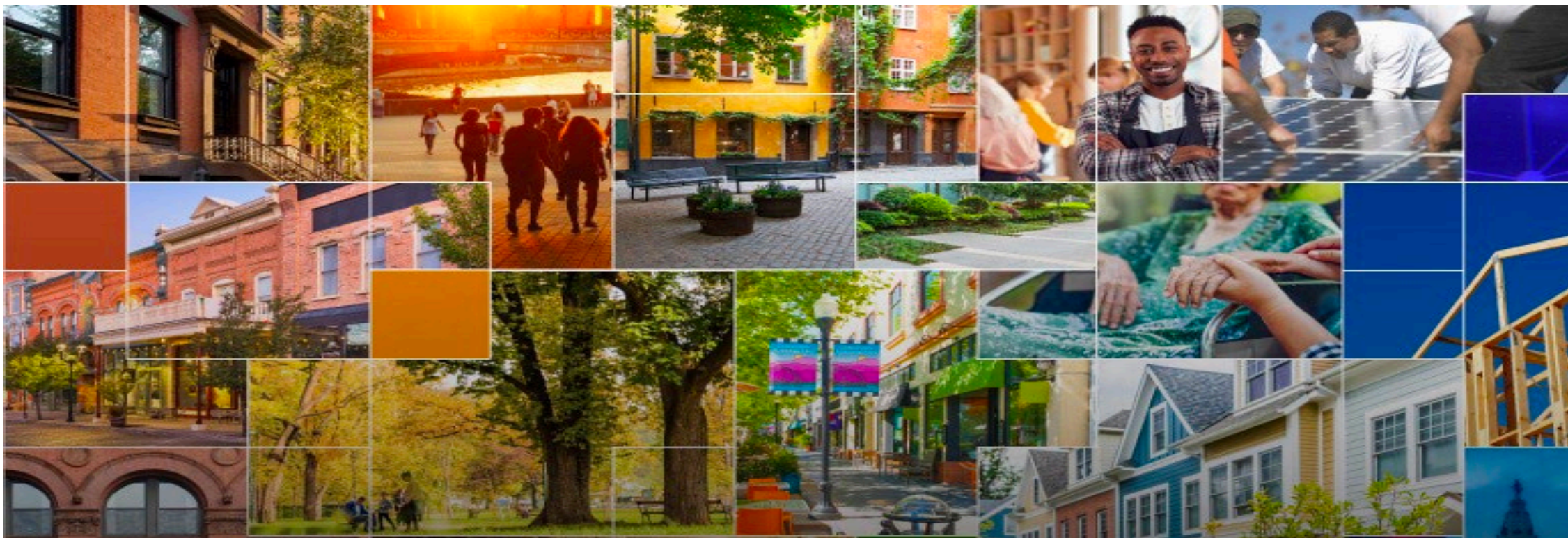
# Discussion

Questions about the research?

Questions for Practitioners

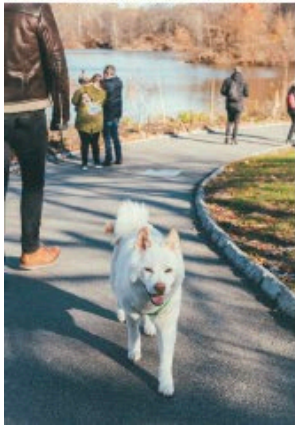
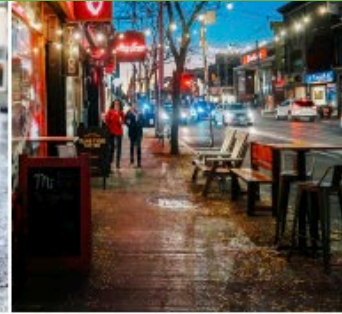
- How does program design typically begin for you?
- How have you considered...in program design?
  - Neighborhood characteristics
  - Program Activity Characteristics
  - Stabilization Metrics
- What resources or information would you need to improve your program design process?





# Designing Programs for Equitable, Effective Neighborhood Stabilization

September 8, 2022



**Karen Black**  
**May 8 Consulting** Principal  
**University of Pennsylvania** Lecturer  
**Drexel University Lindy Institute for Urban**  
**Innovation** Senior Research Fellow  
**Healthy Rowhouse Project** Co-Founder

[www.may8consulting.com](http://www.may8consulting.com)

 @KarenBlackMay8



# Designing a Program to Stabilize Neighborhoods







## The Power to Stabilize Neighborhoods:

Research on the Impact of Policy Interventions on Low-and  
Moderate-Income Neighborhoods After a Macroeconomic Shock

A Literature Review | May 2021

**MAY 8 CONSULTING**

[may8consulting.com](http://may8consulting.com)

## What Stabilizes Neighborhoods?

- Huge body of research tells us what harms a neighborhood, but there is little data on what stabilizes a neighborhood.
- Even so, local and state governments spend billions on trying to improve neighborhoods annually.
- What types of programs does your community put in place to stabilize or revitalize neighborhoods?

# Specific Policy Interventions



<https://www.may8consulting.com>  
Neighborhood Revitalization

- Code Enforcement
- Counseling to Prevent Foreclosure
- Demolition of Distressed Properties
- First Look Programs
- Foreclosure Mitigation Programs
- Greening Vacant Lots
- Land Banks
- Multipronged Investments
- Scattered Site Housing Rehabilitation
- Targeted Neighborhood Investment
- Access to Mortgage Credit
- Community Land Trusts (CLT)
- Sideyard Purchase Programs
- Tax Policies



# What We Know

- Hard to change a high-income or low-income neighborhood trajectory but major global or regional economic disruption or new population flows can.
- Studies of programs with different design, implementation, targeting and duration make it hard to form generalizable conclusions about what works other than that these things make a huge difference.





# What We Know

Where studies show positive impact, may require a jump in logic or leave cause unclear

- Jump in Logic: Home repair lowers crime + safety stabilizes a neighborhood **or** foreclosure prevention counseling prevents homeowners from losing their homes + homeownership stabilizes a neighborhood
- Causation: Multi-pronged approaches are most successful at stabilization but make it harder to figure out which initiative moved the needle.

# What We Know

Studies on neighborhood stability after the 2008 Great Recession show:

- Higher-income and economically diverse neighborhoods are more resilient.
- High foreclosure rates are strong predictors of neighborhood distress and instability. Race of residents impacts rates.
- Homeowner neighborhoods may be more stable.
- Municipality's financial condition is important.
- Social cohesion and interaction protects a neighborhood, but it is hard to build.



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# Good Program Design

- Responsive to differing neighborhood needs/ markets
- Are at scale – correct dosage
- Integrate with existing programs
- Use limited resources effectively & equitably
- Are agile – improve over time
- Continue for sufficient duration



# WHY?

## Define the Need

Explore the core challenge you seek to impact at the city or neighborhood level?

- Can it be quantified?
- What are the specific goals for the program?
- How will you define success? Metrics?
- Often hard for a program to achieve multiple goals





Art found on a S. Philly streetlamp

## WHO?

- Who is it for?
- Who created it?
- Who is implementing and funding it?
- Who benefits?
- Who are critical allies/partners?



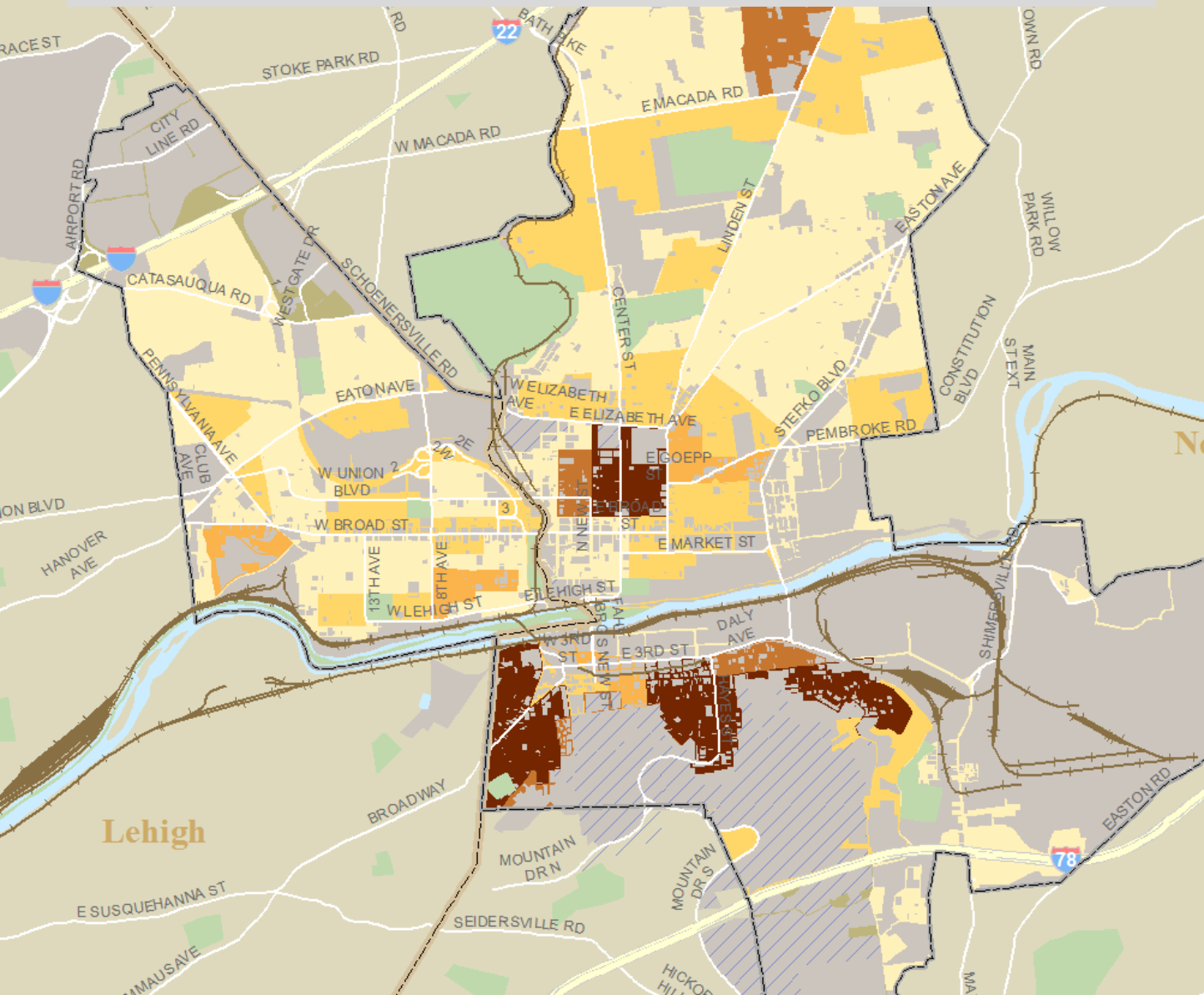


# WHAT?

## What is the Program Designed to Do?

- What neighborhood types?
- Residential or commercial areas?
- Public spaces?
- What are prerequisites to be effective?

## Share of Homes with at least 3 Code Violations



## WHERE?

- Can you define a small focus geography?
- Is targeting politically feasible? Is it equitable?
- Can you evaluate impact using comparison neighborhoods?





# HOW?

## Implementation is Policy

- How are you going to implement the program?
- How will you staff the effort?
- Prioritize each neighborhood's needs?
- Leverage cross sector partnerships to avoid silos?



# How Much?

- What is the dosage? Dosage matters.
- How do you structure the program and apply limited resources for equitable impact?





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# Evidence-Based Policy Making

**An Analysis of Six Strategies to Stabilize Neighborhoods**

By: May 8 Consulting and Reinvestment Fund



# Researched 6 Common Policy Interventions to Determine How Program Design Impacted Stabilization

**Code  
Enforcement**

**Demolition**

**Land Banks**

**Scattered Site  
Rehab**

**Emergency  
Bridge Loans**

**First Look  
Programs**



## Code Enforcement – Past Studies Show:

- Proactive enforcement can improve the condition of housing stock and reduce substandard rental properties.
- Some evidence supports the ability of minimum vacant building condition standards to trigger new investment, raise surrounding values, and reduce crime.



# Code Enforcement Program Design – Key Elements

- Must be proactive
- Different neighborhood types require differing approaches
- Rental licensing must include inspection
- More effective if motivates quick response from owner and do not have to take most to court





# Program 1: Baltimore Streamlined Code Enforcement Neighborhoods Program (SCEN)

- Established in 2010, program targets 88 middle neighborhoods where market is strong enough to motivate owner to make repairs
- Owner issued warnings and citations
- Where no action, court appoints a receiver to sell the property at auction to qualified high bidder with proven capacity - \$5000 minimum bid – receive clean title
- Annual budget of \$9 million with 80 FTE staff





## Program 2: Minneapolis All Together Now Program (ATN)

- Established in 2013, program engages and educates residents and civics prior to exterior code inspections
- Targeted at 10-13 neighborhoods with highest level of nuisance violations
- Outreach and education materials & discount coupons
- Government abates worst nuisances and seeks reimbursement through liens
- 2019 Budget of approximately \$95,000



## Land Bank – Past Studies Show:

- Selling to buyers with interest and capacity to reactivate resulted in property's reuse, increased property value and fewer ownership changes after sale compared to tax lien sales.
- Transfer to a land bank alone may better preserve value of nearby homes, but land bank must well-maintain property to achieve other benefits.

# Land Bank Program Design – Key Elements

- Clearly articulated goals
- Scale matches challenge
- Strategies reflect neighborhood market types and types and conditions of parcels
- Parcels well-maintained
- Property transfer policies
- Non-profit and for-profit developer partners

# Program 1: Houston Land Bank

- Quasi-public corporation run as city program that from 2002-2017 acquired tax sale properties that did not sell – deeded to land bank for closing costs
- 100% vacant lots
- Focus on historically neglected neighborhoods
- 2010-2015 – Spent \$2 million on land purchase and \$1.5 million on property maintenance

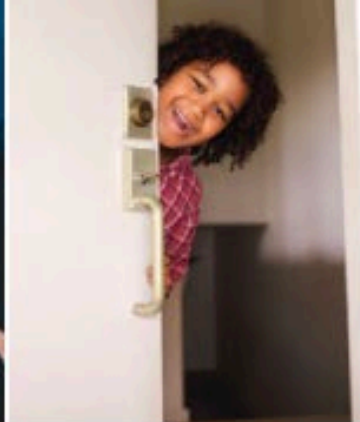




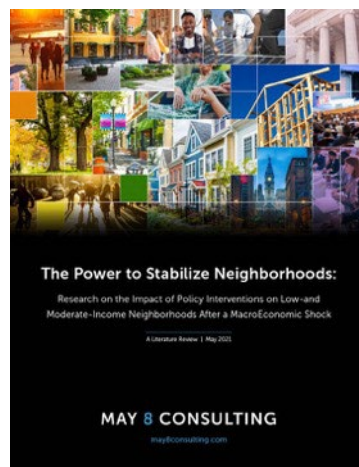


## Program 2: Albany County Land Bank

- Nonprofit established in 2014
- County provides tax foreclosed properties at differing market values to land bank at no charge after extinguishing back taxes and liens
- 50% are vacant lots
- Land bank accepts purchase offers from responsible buyers
- \$2.5 million budget and 8 FTE staff

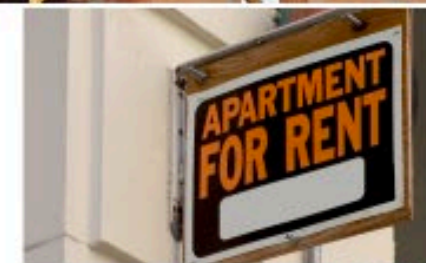
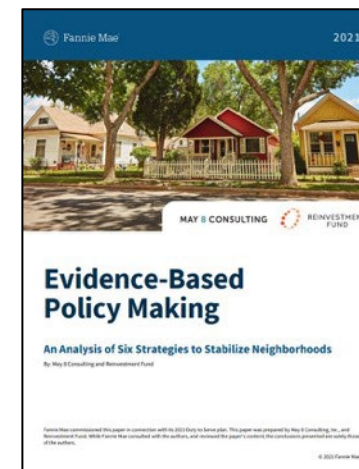


# Stay Up to Date on Tools to Design Effective Programs



[www.may8consulting.com](http://www.may8consulting.com)

 @KarenBlackMay8



# ACTIVATING THE MISSION

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CHRISTA STONEHAM  
CEO & PRESIDENT  
HOUSTON LAND BANK



PLANNER TO PRESIDENT

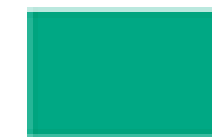
To design, construct, and  
demolish systems for  
historically disempowered  
communities



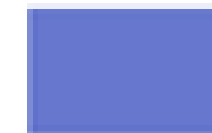


# Land is Power Land is Equity Land is Legacy

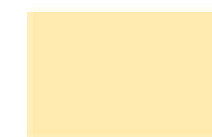
## Grades of Security



A - Best



B - Still Desirable

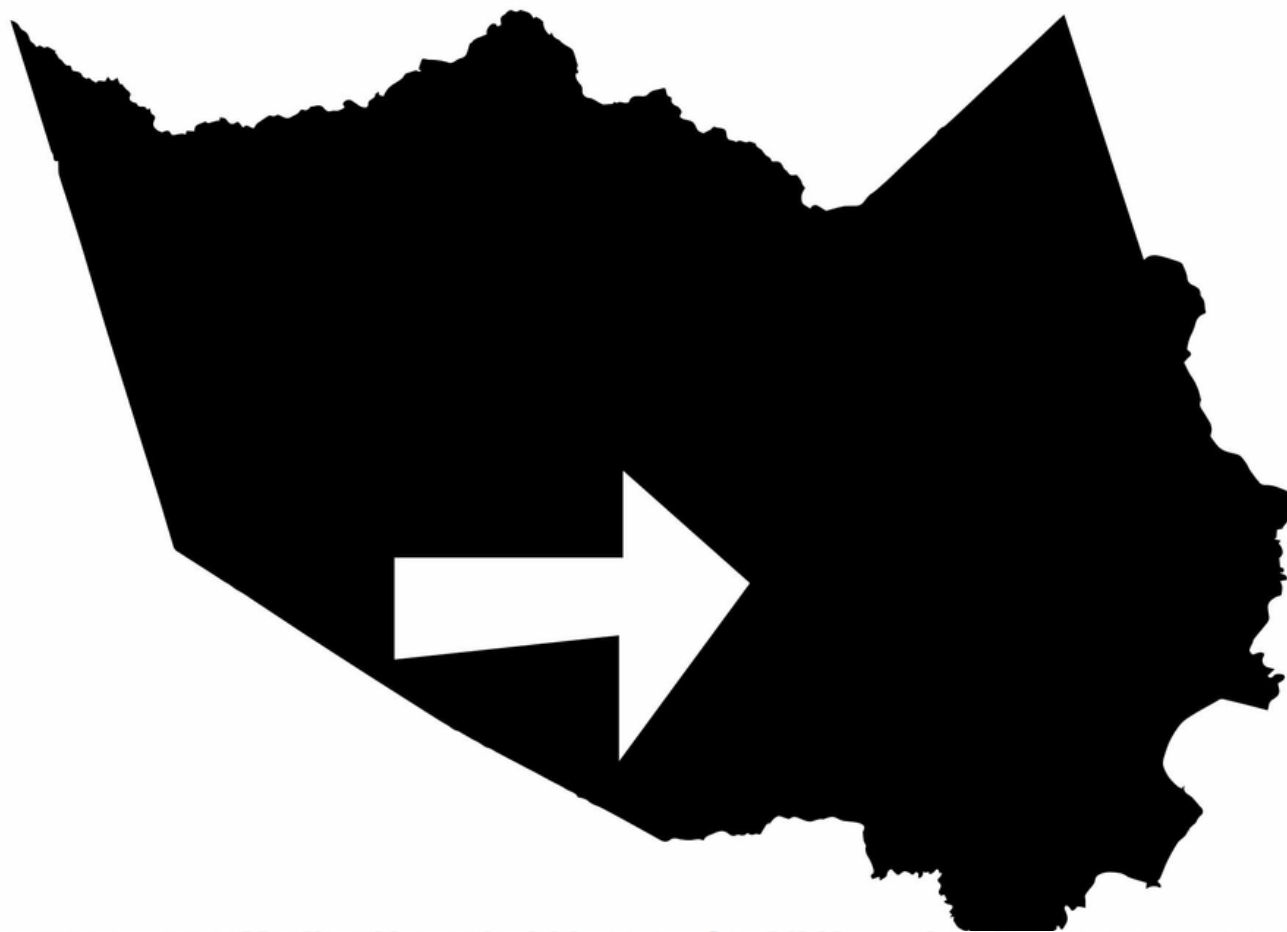


C - Definite Declining

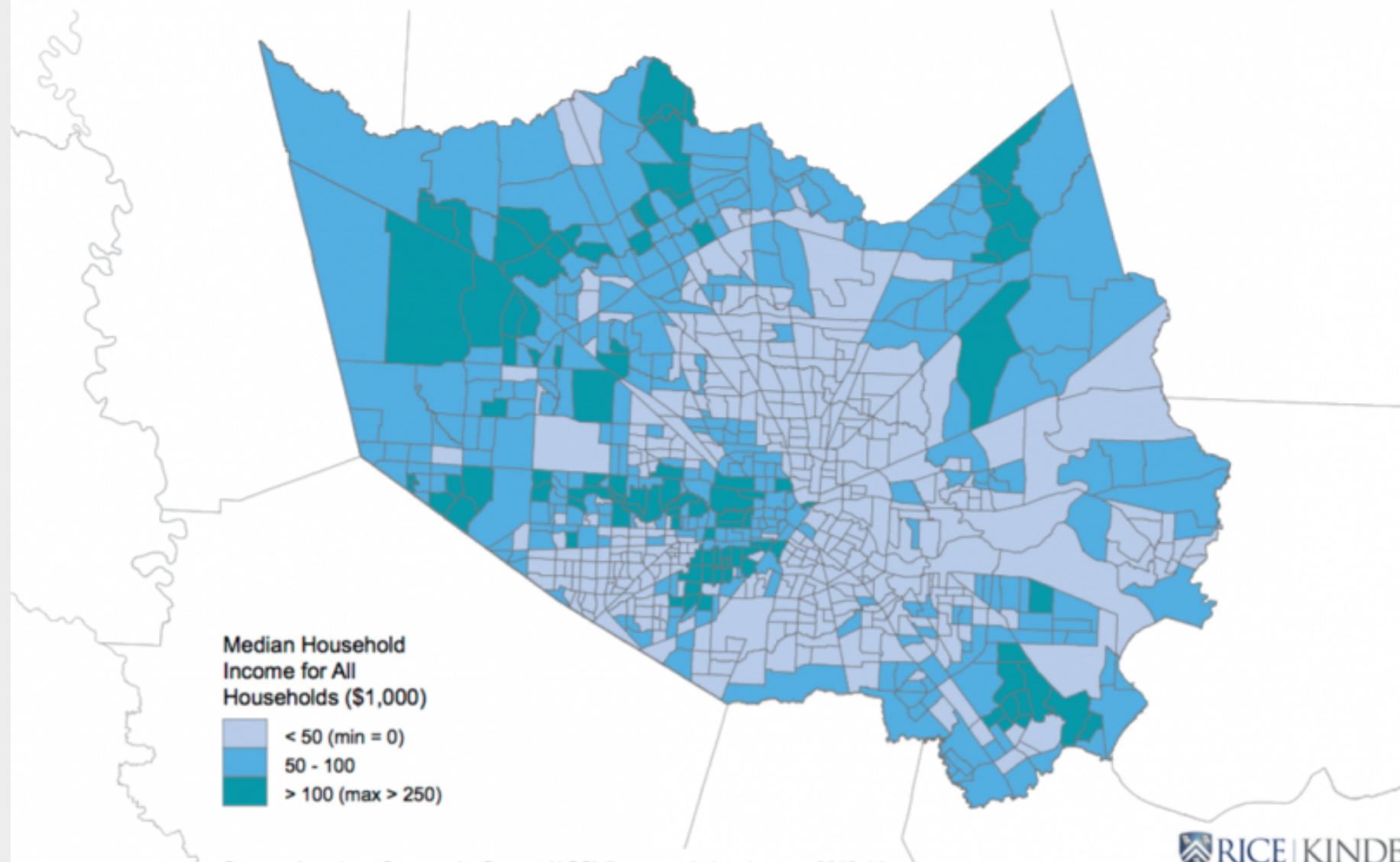


D - Hazardous





Median Household Income for All Households



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"Poverty, income, race -- in Houston they take a familiar shape." -The Houston Arrow

Over 500,000 households making under 75K (0-120% AMI) are paying more than what they can afford in Houston.

---

## AGENDA

Defining the Mission

Programming the Mission  
into Action



A conceptual image showing a hand placing a puzzle piece labeled 'VISION' into a larger puzzle labeled 'MISSION'. The 'MISSION' puzzle is yellow and the 'VISION' piece is white. The background is a light gray surface with other white puzzle pieces.

**MISSION**

HOW WILL YOU  
REACH THE GOAL?

**VISION**  
THE GOAL





## VISION

---

- Guiding values
- Provides direction
- Purpose and values of the cause/organization

## HLB VISION

---

To develop underserved  
communities with  
communities

# GUIDING PRINCIPLES



T.O.E.S.

## Transparency

- ✓ Proactively sharing and brainstorming solutions with Board
- ✓ Providing opportunities for public participation
- ✓ Publicly sharing needs, accomplishments and impact

## Ownership

- ✓ The HLB team making adjustments to processes.
- ✓ HLB team monitoring and measuring the impact.
- ✓ The HLB team outlining milestones.

## Equity

- ✓ HLB investing in MWBE and small businesses
- ✓ HLB focus on LMI areas/disinvested communities
- ✓ Providing diverse housing options and mixed-income communities

## Stewardship

- ✓ HLB spends public money wisely for the highest and best use
- ✓ HLB aligns with partners to address housing affordability.
- ✓ Develop equitably based on need and benefit





## MISSION

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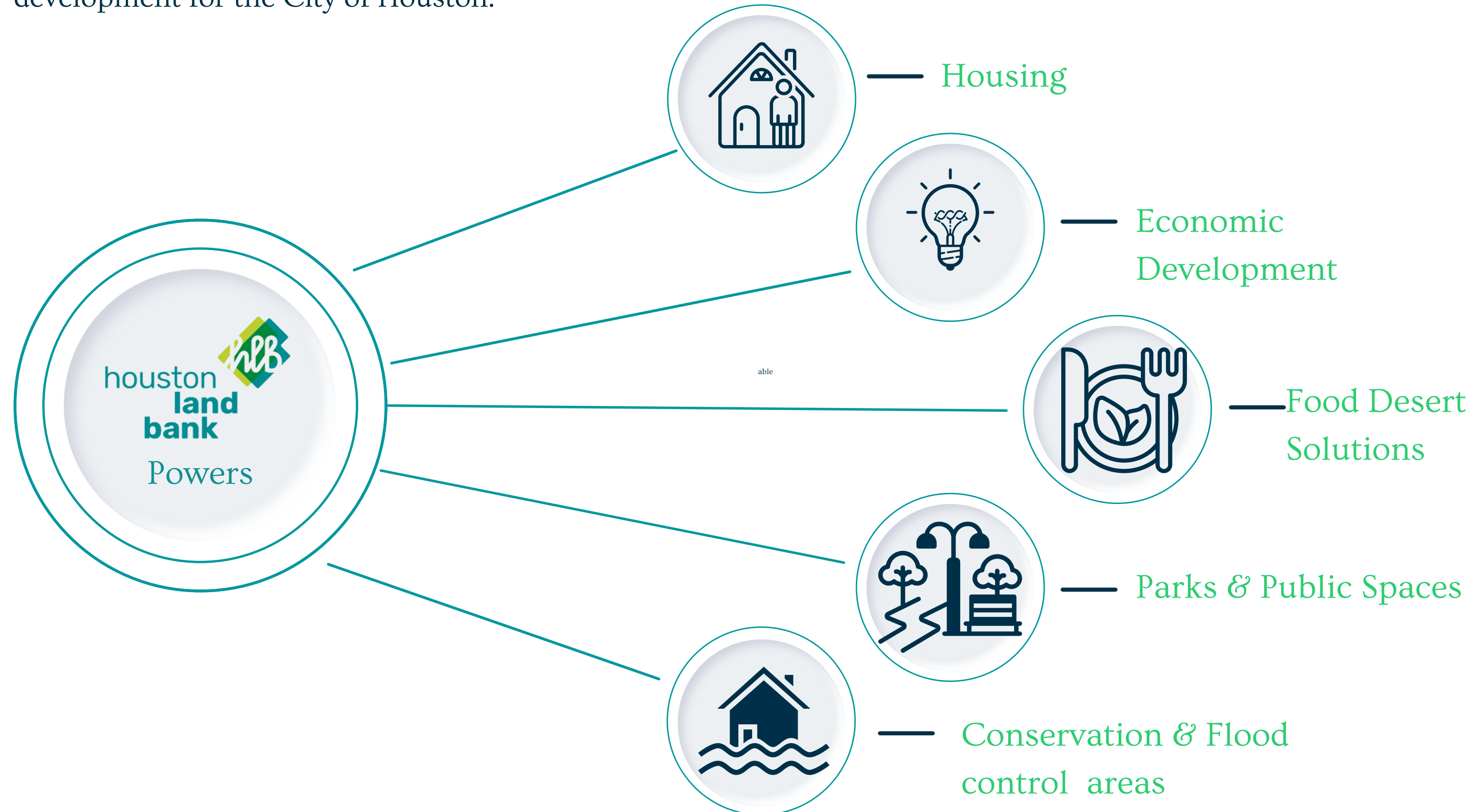
- Establish your unique contribution or service
- Summarize the good you will to bring to the world.
- Define performed services, motivation, and compassion

## HLB MISSION

---

To strategically acquire, dispose, and steward vacant, abandoned, and damaged properties and convey them into productive use and catalyze transformative community and economic development for Houston.

The Houston Land Bank's mission is to strategically acquire, dispose, and steward vacant, abandoned, and damaged properties, convey them to productive use, and catalyze transformative community and economic development for the City of Houston.



## AGENDA

Defining the Mission

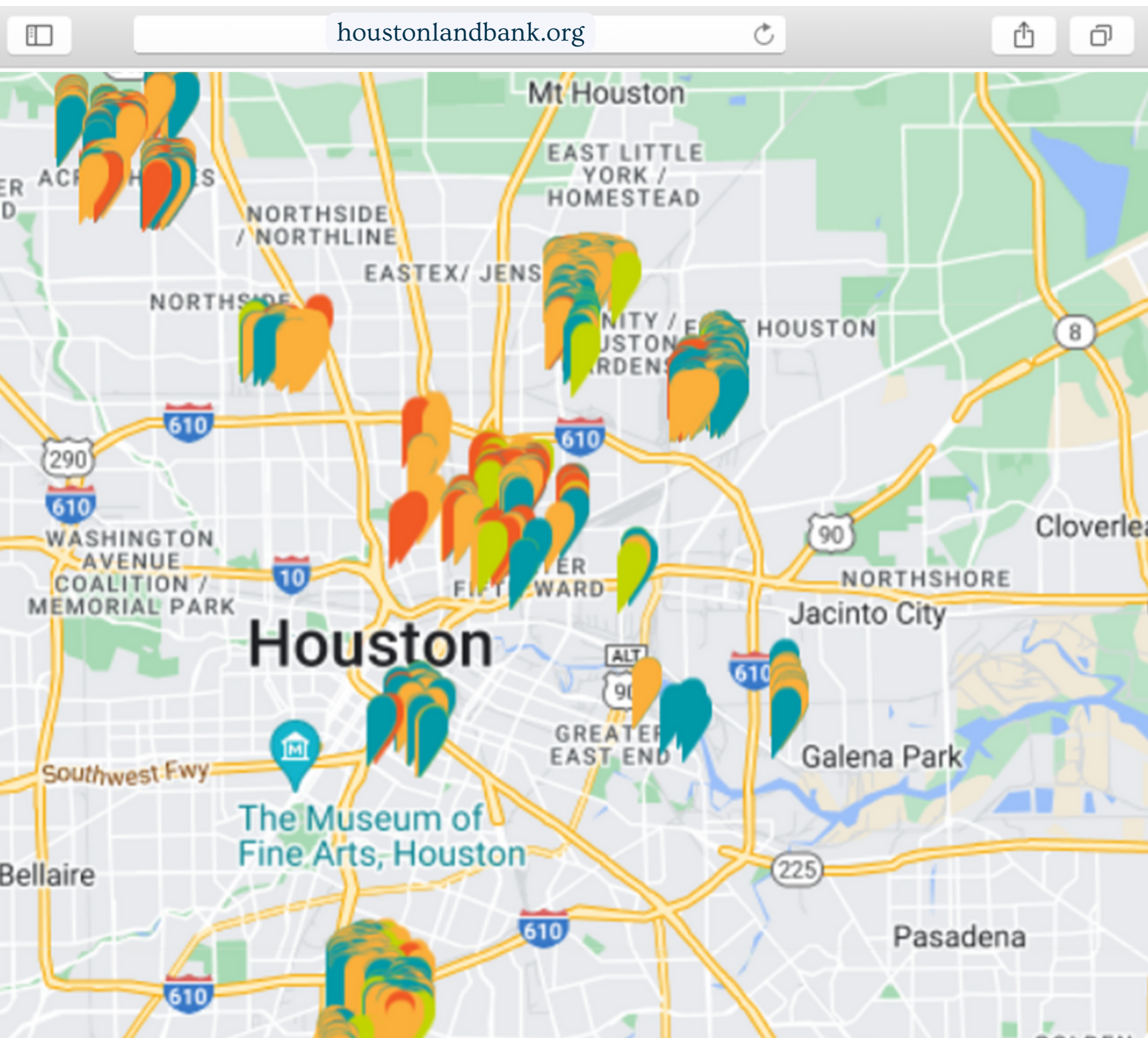
Programming the Mission  
into Action



Established as a City of Houston  
Program housed within the  
Housing and Community  
Development Department in  
1999



Expanded as a Local Government Nonprofit  
Corporation in 2018 and 501c-3 Nonprofit  
Organization in 2023



The Houston Land Bank has reactivated

\$96 mil+

of property since 1999

\$5 mil

to HLB builders since 2019

\$2.9 mil+

into small & minority businesses since 2019

# Eight Forms of Currency

Capital	Currency	Complexing to...
Social Capital	<i>Connections</i>	<i>influence, relationships</i>
Material Capital	<i>Materials; "natural" resources</i>	<i>tools, buildings, infrastructure</i>
Financial Capital	<i>Money</i>	<i>financial instruments &amp; securities</i>
Living Capital	<i>Carbon, Nitrogen, Water</i>	<i>soil, living organisms, land, ecosystem services</i>
Intellectual Capital	<i>Ideas, Knowledge</i>	<i>words, images, "intellectual property"</i>
Experiential Capital	<i>Action</i>	<i>embodied experience, wisdom</i>
Spiritual Capital	<i>Prayer, Intention; Faith, Karma</i>	<i>spiritual attainment</i>
Cultural Capital	<i>Song, Story, Ritual</i>	<i>community</i>



# ACTIVATION STAGES



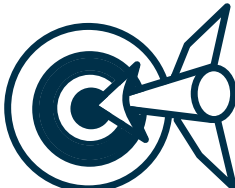
Stewardship



The Ask



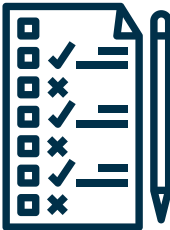
Handling Objections



Presentation



Research



Preparation



Approach



Discovering Needs



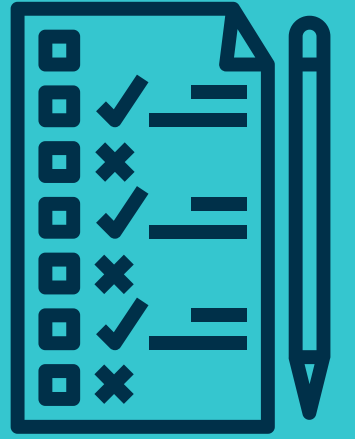
- Referrals
- Influencers
- Events
- Board Members
- Social Media Marketing
- Warm Calling
- Networking
- Website
- Press Releases and Articles

# 1. Research: Who to reach out to?





# 2. Preparation: Planning prior to contact.



- Decision-makers
- Community History
- Community studies and reports
- Passions and priorities
- Other charitable work and giving
- Connections



3. Approach:  
"You never get  
a second  
chance to  
make a first  
impression."





# 4. Discovering Needs



1

“WHY ARE YOU PASSIONATE ABOUT WHAT WE DO?”

Motivation

2

“WHAT DO YOU WANT TO ACHIEVE?” WHAT BRINGS YOU JOY?

Defining Success

3

“WHAT DO YOU WANT TO CHANGE?”

Frustration

4

“WHAT HELPS YOU DECIDE WHAT TO SUPPORT?”

The "Right-Fit"

5

“HOW INVOLVED DO YOU WANT TO BE IN MAKING THIS CHANGE HAPPEN?”

Commitment



- Master Community Builder: small to mid-size districts
- Established Builder: 5-10+ units
- Startup Builder: 1-4 units
- Rehab/Reconstruction services: single-family and multi-family homes.
- Neighborhood Commercial Builder: smaller-scale commercial development and be responsive to community needs and plans.





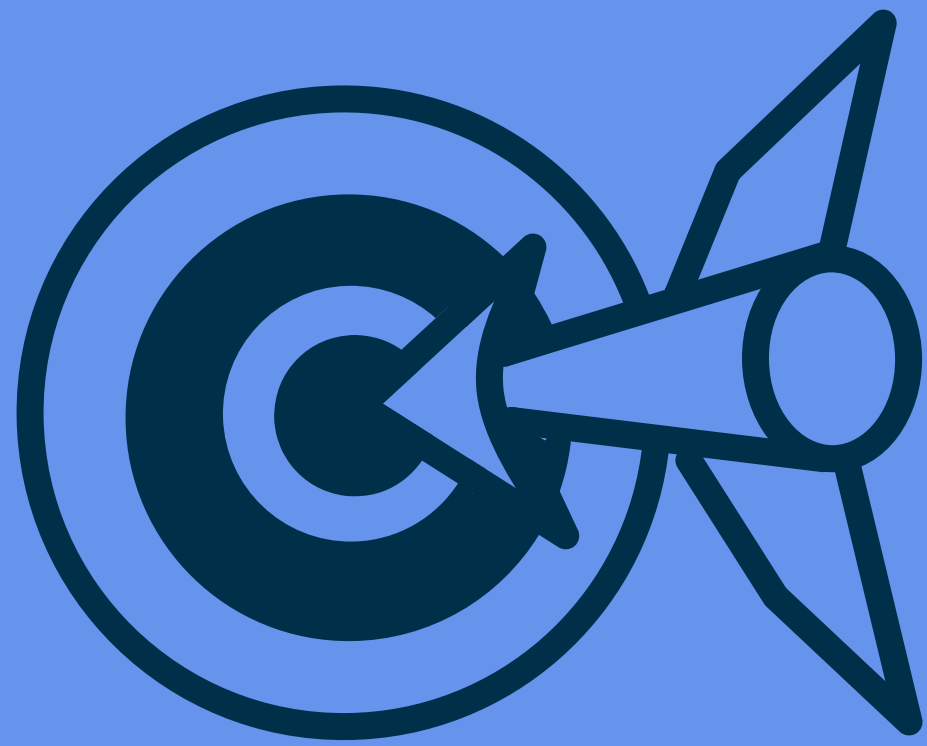




## The Neighborhood Advisory Committee (NAC) will :

- Represent Neighborhood Design Appropriateness for the Traditional Home Program.
- Provide guidance to the public engagement approach in the community.
- Assist in outreach on HLB programs, projects, events and updates.





## 5. Authenticity

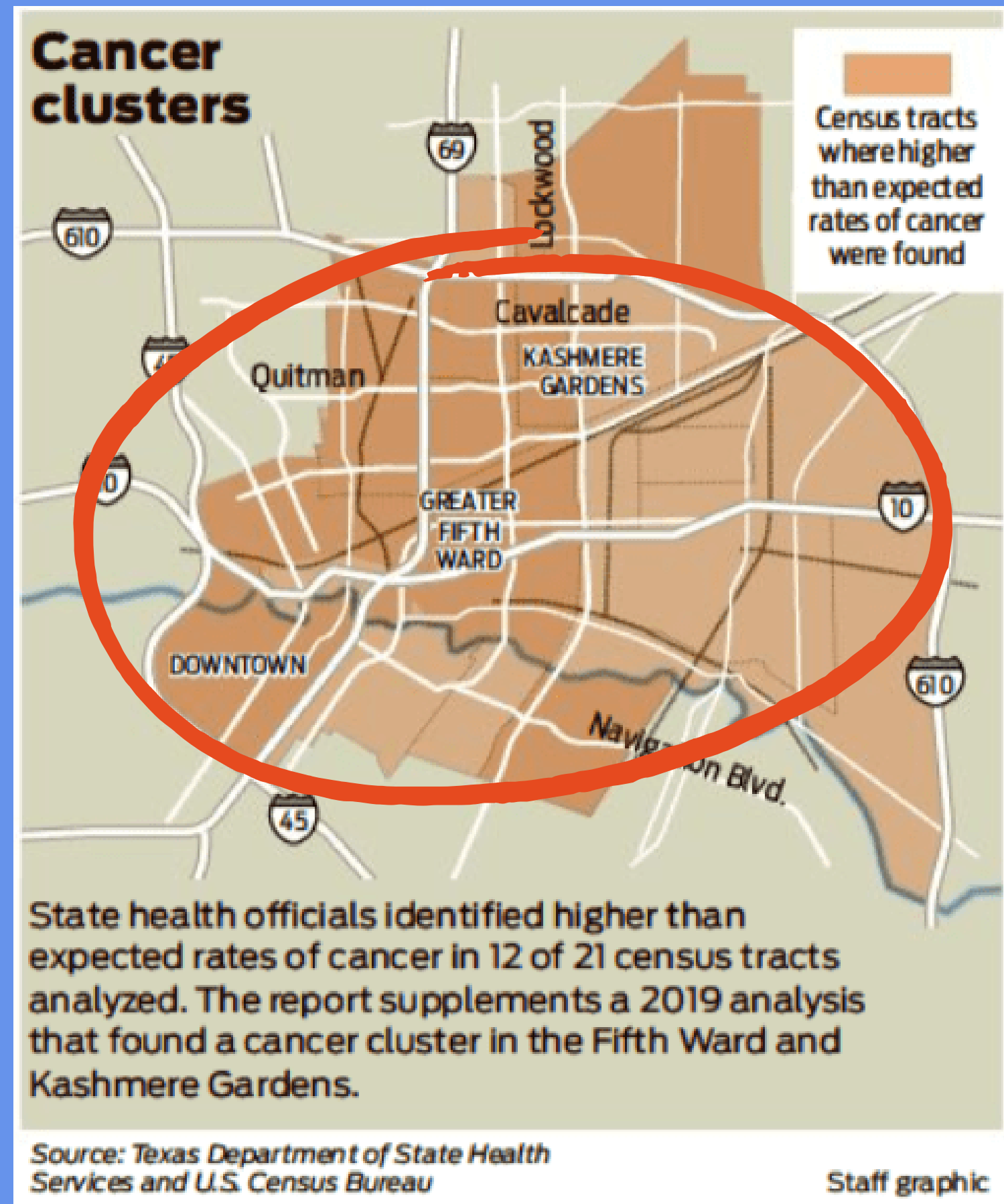
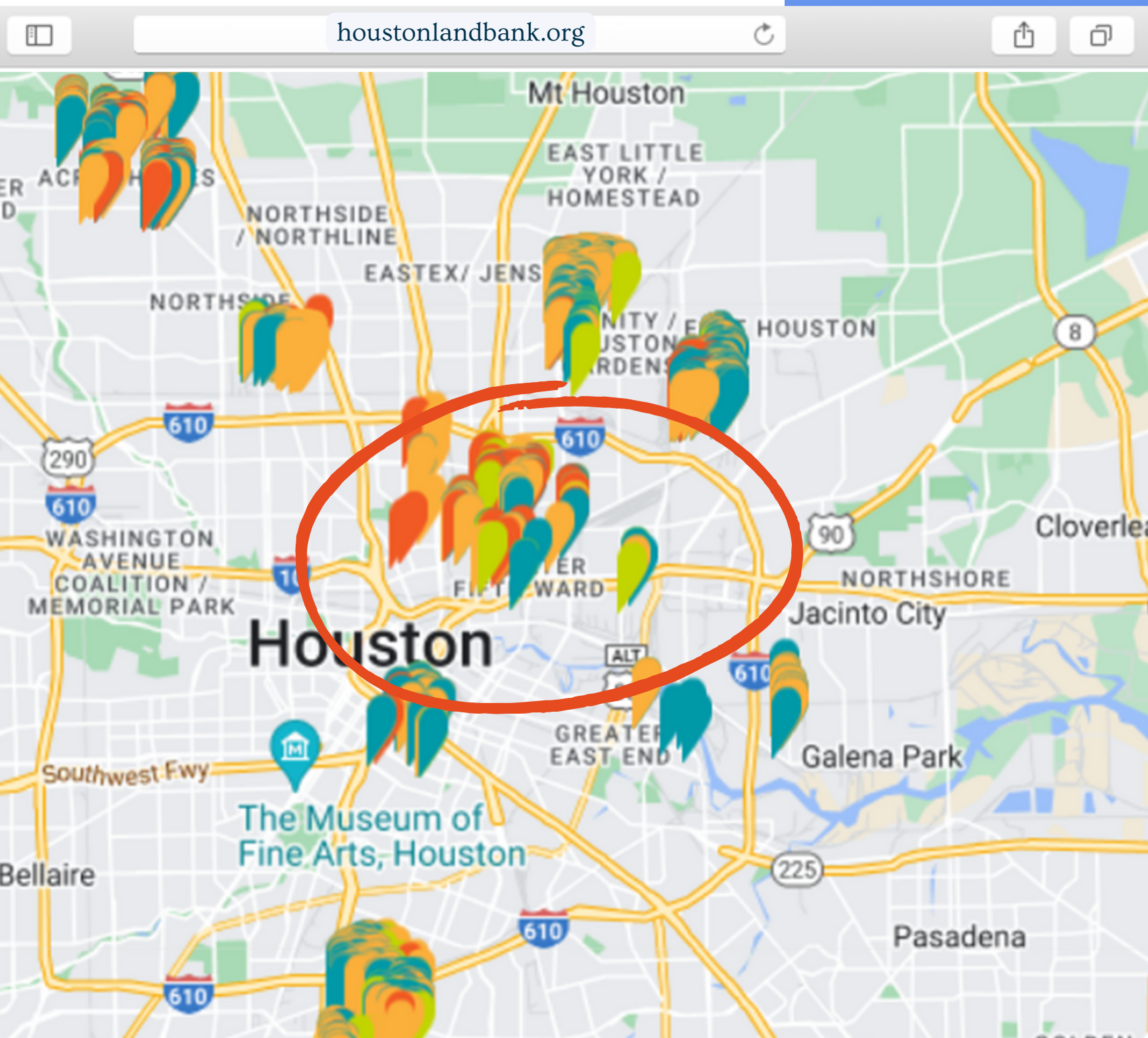
If you don't believe in your cause,  
no one else will





# BROWNFIELDS & ENVIRONMENTAL JUSTICE







- Is your organization doing important work?
- Is the organization well managed?
- Will they make a difference?
- Will the experience be satisfying for me?



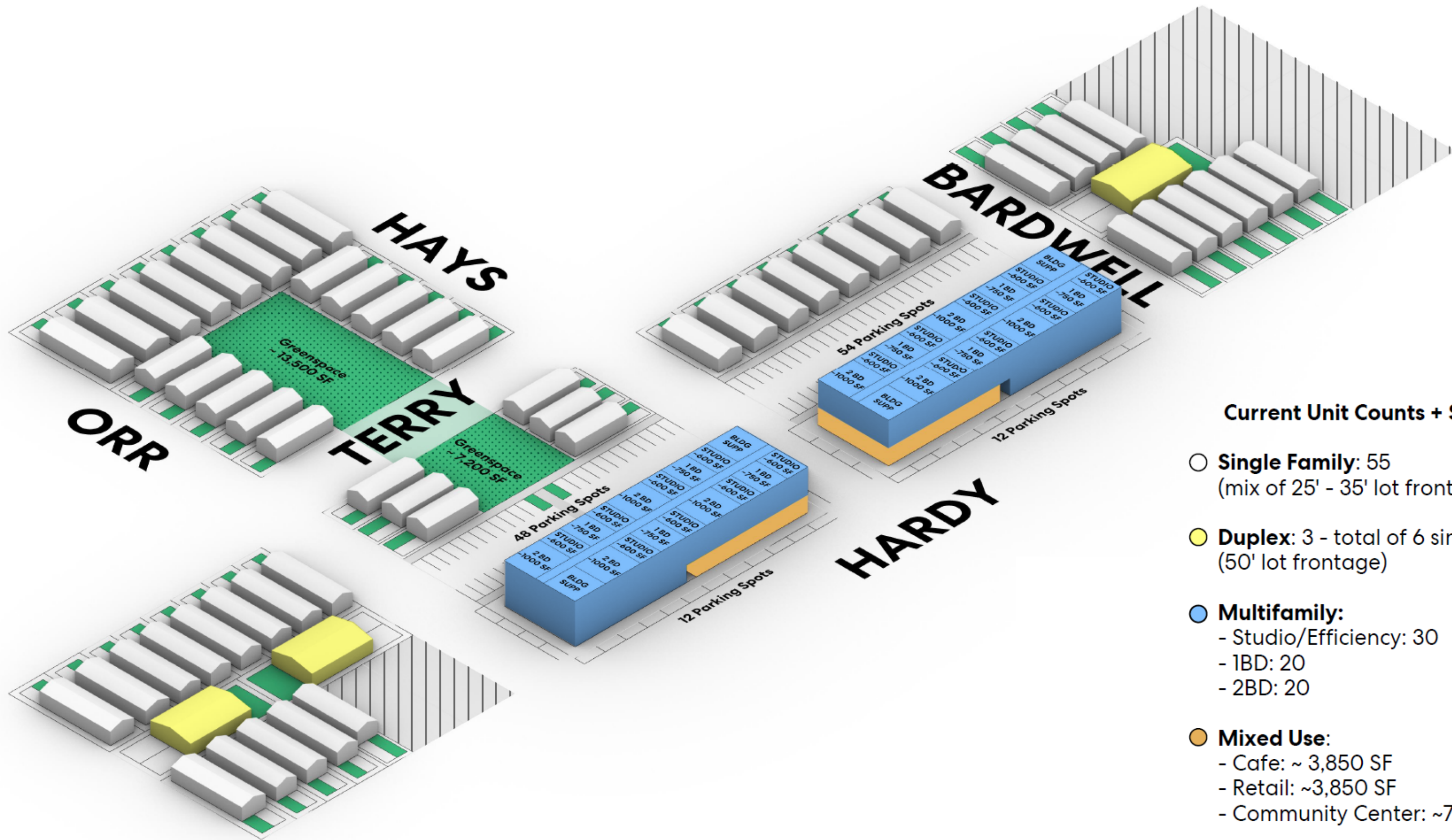
## 6. Handling Objections ???



# Community Engaged Design







### Current Unit Counts + Squarefootages

- **Single Family:** 55  
(mix of 25' - 35' lot frontages)
- **Duplex:** 3 - total of 6 single family units  
(50' lot frontage)
- **Multifamily:**
  - Studio/Efficiency: 30
  - 1BD: 20
  - 2BD: 20
- **Mixed Use:**
  - Cafe: ~ 3,850 SF
  - Retail: ~3,850 SF
  - Community Center: ~7,700 SF
- **Public Greenspace:** ~20,700 SF
- ⦿ **Out of Scope**

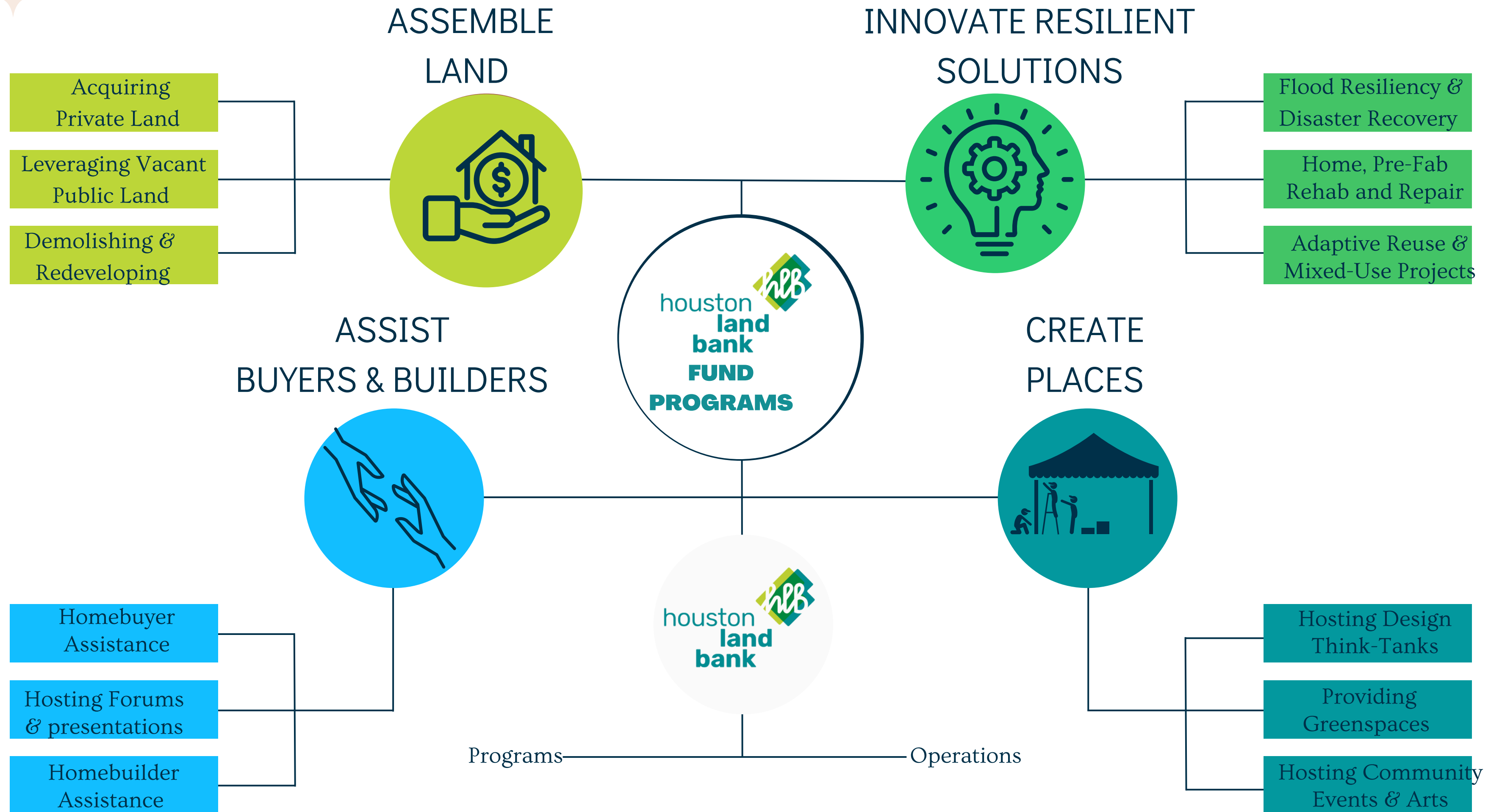
## Tell THEIR story

- Cover sheet
- Executive summary
- Needs statement
- Case statement
- Partnerships
- Expected outcomes
- Evaluation Plan
- History of Impact

7. "You have not  
because you ask not."







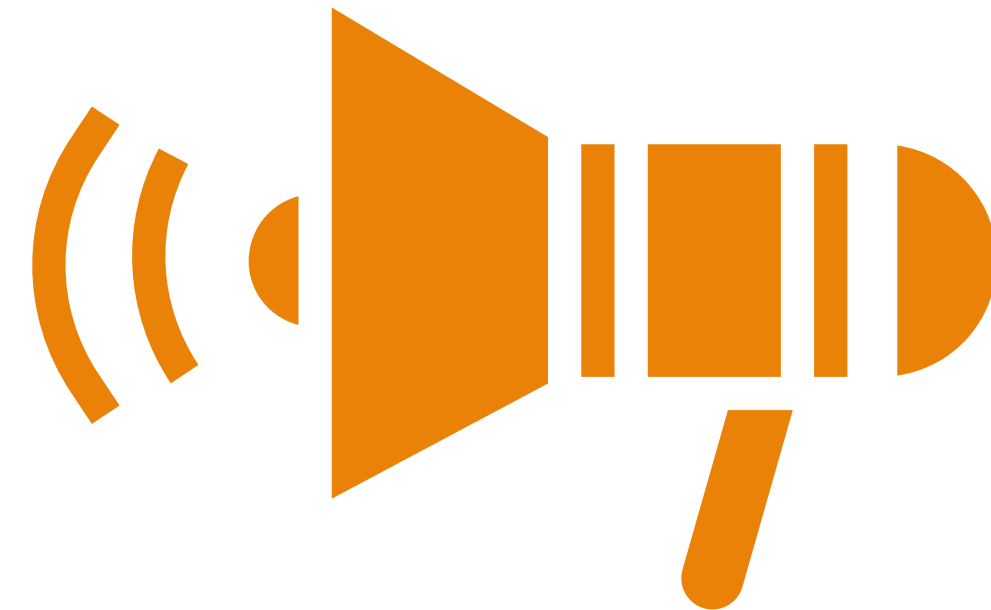
# 8. Stewardship



Personal  
Approach



Frequent  
Updates



Public  
Recognition



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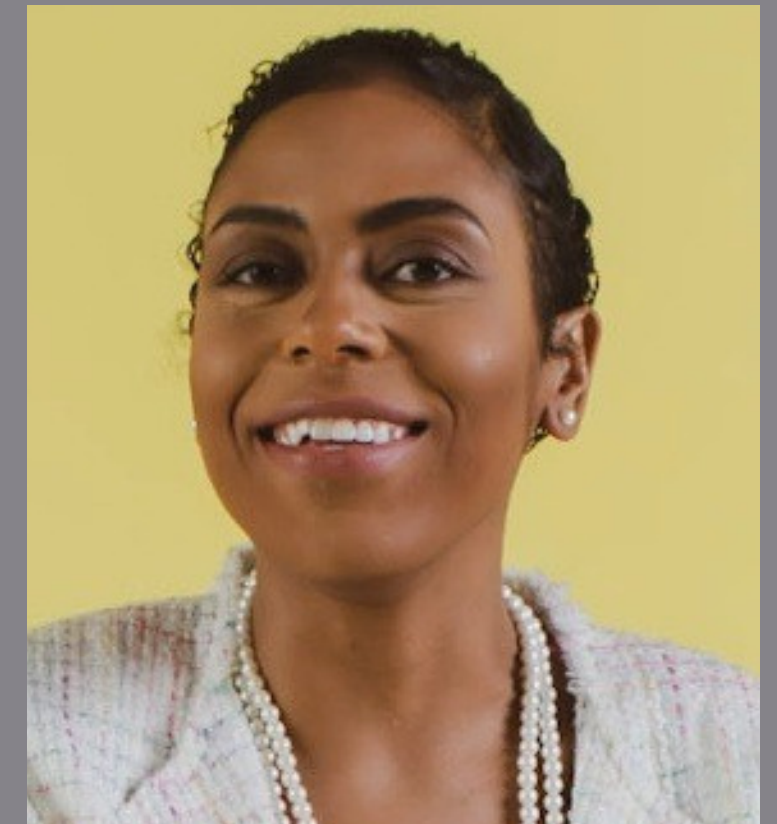
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