

CLIENTS:

City of Lawrence Office of Planning

City of Lawrence
Community Development
Department

Lawrence Community-
Works

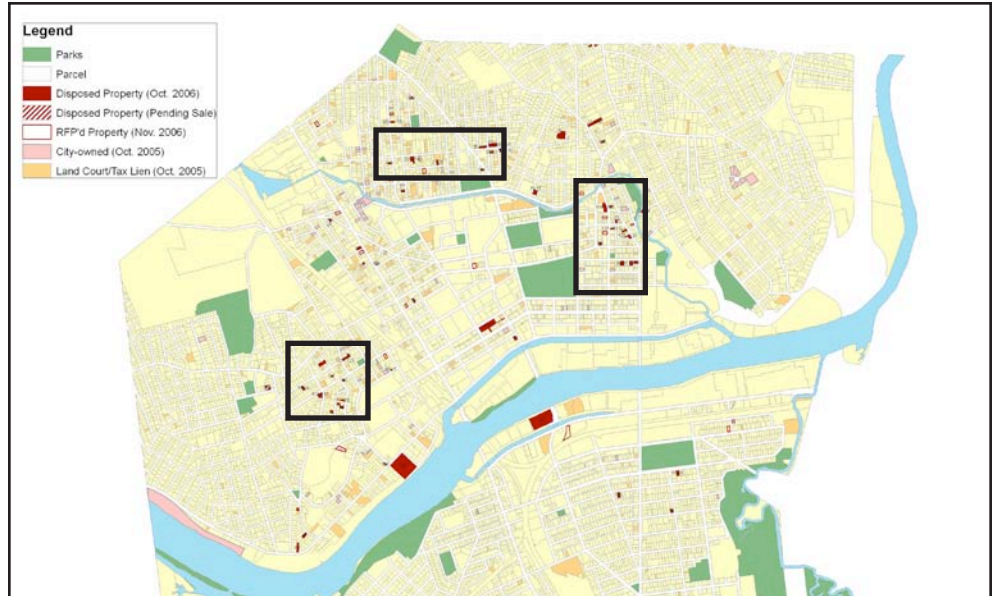
Merrimack Valley Habitat
for Humanity

Bread and Roses Housing,
Inc.

**PRACTICUM
PARTICIPANTS:**

Eric Brewer-Garcia
Jonathan Cherry
Jonathan Harris
Shawntel Hines
Anne Schwieger
Aaron Stelson
Amy Stitely
Sandra Yu

INSTRUCTORS:
Prof. Lorlene Hoyt
Prof. Lang Keyes



PROPERTY DISPOSITION IN LAWRENCE, MA

Lawrence Practicum
Department of Urban Studies and Planning
Massachusetts Institute of Technology
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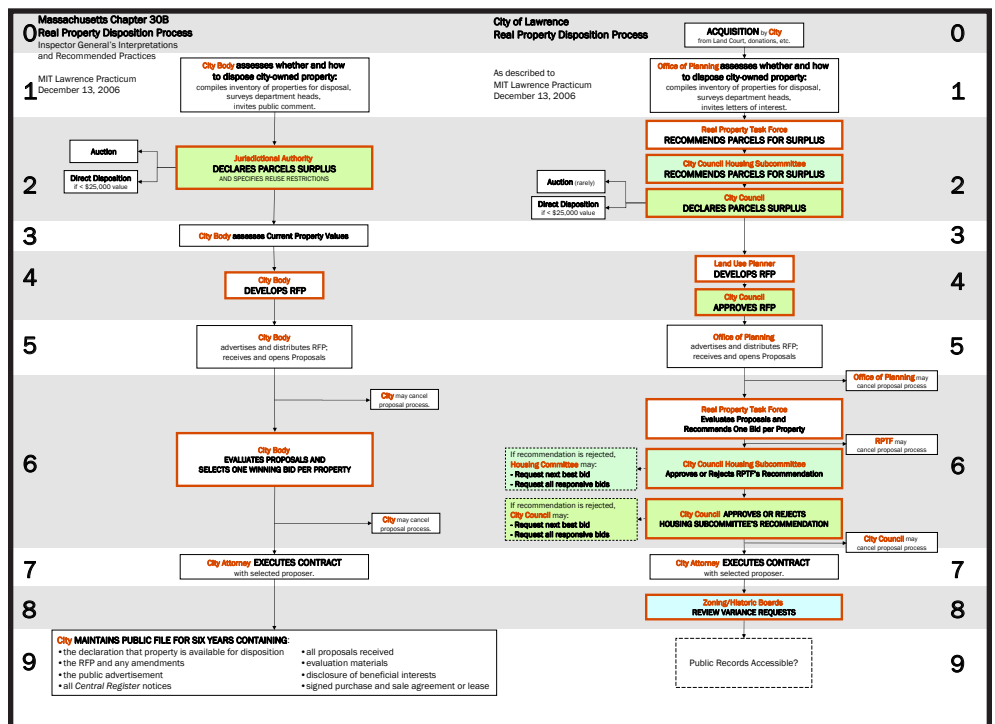


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SUMMARY AND RECOMMENDATIONS

Introduction and History of the Lawrence Practicum

The work of the Lawrence Practicum fits within the broader scope of MIT@Lawrence, an ongoing HUD-funded partnership between MIT, the City of Lawrence, Massachusetts, and several community-based organizations in Lawrence. Over the past two years, the Lawrence Practicum has focused on the issue of abandoned and vacant property by documenting and mapping such properties in the North Common, Park Street, and Tower Hill neighborhoods. The 2005 Lawrence Practicum recommended the implementation of an integrated information system to improve the City of Lawrence's ability to acquire vacant and abandoned property. In response to these recommendations, the Office of Planning has begun to monitor more closely information about properties currently in the acquisition process. Shortly before the beginning of the 2006 Lawrence Practicum, an additional staff person was hired at the Office of Planning to assist with these efforts and to provide the City with more capacity to accelerate the property disposition process.

Over the course of the Fall 2006 semester, eight graduate students in the Department of Urban Studies and Planning at MIT participated in the Lawrence Practicum to document and analyze the public land disposition process and the outcomes of that process in the City of Lawrence. Working with the Lawrence Office of Planning, Lawrence Community Development Department, Lawrence CommunityWorks, Bread and Roses Housing, Inc., and Merrimack Valley Habitat for Humanity, the Lawrence Practicum created a framework to describe and examine the process of disposition, analyzed the disposed properties spatially, statistically, and qualitatively, and offered recommendations to improve the process and outcomes of the process.

The 2006 Lawrence Practicum was entrusted to analyze a second part of the picture—the process to dispose of publicly owned property. This report presents a snapshot evaluation of the current process and the outcomes it has produced in order to suggest recommendations to improve the process and its outcomes.

Overview

First and foremost, we discovered that the property disposition process is improving. The outcomes of this process show a clustered pattern of disposed property primarily in three neighborhoods on the north side of the City. The vast majority of the disposed developable parcels saw development activity, benefiting the three neighborhoods in which disposed properties were clustered. The disposition process provides several opportunities for community and stakeholder input and has broad community interest, but also tends to be contentious, unpredictable, and sometimes cumbersome. Based on these findings, the Lawrence Practicum recommends that the Lawrence Office of Planning and the Lawrence City Council:

- Continue to dispose of properties in **clusters**
- **Clarify** the roles of those involved in the process and formalize it to improve public and bidder understanding
- Improve **transparency** of the property disposition process
- Increase the **efficiency** of the property disposition process

Methodology

The Lawrence Practicum divided the analysis into three sections: Property, Process, and Practice. The Property group sought to evaluate the outcomes of the disposition process, the Process group examined the property disposition process itself, and the Practice group investigated property disposition best practices in other cities.

Property Group

In an effort to describe and analyze the results of the property disposition process in Lawrence, the Property Group completed the following tasks:

- Compiled a list of properties disposed by the City of Lawrence since 1987,
- Conducted a windshield survey of the properties,
- Collected data on the disposed properties from the assessor and building inspector, and
- Interviewed local developers to better understand neighborhood changes around clusters of disposed property.

Process Group

To ascertain the structure of the disposition process and understand its strong points and shortcomings, the Process group conducted interviews with individuals in the following groups:

- City of Lawrence officials in the Offices of Planning, Community Development, Budget and Finance, and Inspections,
- Current and former members of Lawrence’s City Council
- Non-profit developers, and
- For-profit housing developers.

Practice Group

Using the findings of the Process and Property groups as a starting point, the Practice group conducted research on property disposition practices in US that have faced vacant property situations similar to that in Lawrence. The recommendations developed by the Practicum are informed in part by this research.

Findings

Property

Finding #1: *Clusters of disposed property exist in three neighborhoods—Tower Hill, Park Street, and North Common.*

The City of Lawrence disposed of 60 properties between 1987 and 2006. More than half of these properties (36) fall into one of three clusters located in the Tower Hill, Park Street, or North Common neighborhoods. These clusters exist in part because of the sheer number of vacant, abandoned, and tax-delinquent properties that existed in those neighborhoods after significant disinvestment in the 1980s and 1990s and because local

non-profit developers have been active in pushing properties through the city process and developing them. This clustering of properties has enhanced the impact of the City's disposition process by creating synergies between developments. The development of many parcels of land in one neighborhood has a greater impact than if those developments were spread throughout the city.

Finding #2: *Of the disposed parcels, the vast majority of developable properties have been developed and undeveloped properties have been maintained.*

In most cases, the public disposal of property resulted in properties that were either developed, usually for housing, or maintained. In fact, eighty-two percent of disposed properties fall into these categories. Thus, it seems the disposition of public property yielded positive benefits for the neighborhoods in which they were located and for the City of Lawrence as a whole.

Process

Finding #3: *There is a process to dispose of publicly owned property in Lawrence.*

The process for disposing of publicly owned land involves two decision-making entities (the City Council and Office of Planning) and one recommending body (the Real Property Task Force, made up of city staff members that have a detailed knowledge of vacant properties being disposed). The four points in the process at which the City Council and the Office of Planning make important decisions about property disposition are as follows:

- Declaration of city surplus
- Drafting and issuing the Request for Proposals (RFPs)
- Collecting and evaluating the proposals
- Negotiating terms of the sale contract and monitoring outcomes

Finding #4: *There is general consensus that the process has been moderately successful and is continually improving.*

City officials and developers involved in the property disposition process characterized the process in the following way:

- There is general consensus that the process has improved and that there is political will to continue improving it.
- The process is informed by a great deal of local knowledge about each of the properties that go through the process.
- There are several opportunities for community members and other stakeholders, each representing different sets of interests, to provide input.

Frustration about the process among those interviewed falls into the following categories:

- The process seems opaque – There was confusion among interviewees about how decisions are made and when final decisions can be expected.
- The process is unpredictable – It was difficult for all involved to know what to expect, especially in regards to knowing which party or individual holds the authority to render decisions at various points in the process
- The process takes too long – Although the process has shown significant improvement, it holds the potential to be much more efficient.

Recommendations

Recommendation #1: *Continue targeted disposal of properties in clusters to enhance the positive impact of property disposition.*

Lawrence should continue to target the disposition of properties in specific areas. The targeted disposition of property in three clusters seems to have had a positive effect on those communities by creating synergy between developments, building assets for local residents, and reducing crime and drug trafficking. The City of Lawrence can target its resources most effectively by continuing to dispose of properties in clusters.

Recommendation #2: *Formalize and publicize the disposition process to make it more accessible to the public and potential bidders.*

Interviews revealed disparate understanding of the steps involved in the property disposition process and of the roles of the decision-making and recommending bodies--Office of Planning, City Council, and Real Property Task Force. Clarification of both the steps in the process and the roles of the latter parties holds the potential to make the disposition process less contentious and to improve public understanding of the process. While the Lawrence Practicum has articulated the City's property disposition process and defined the roles of each group to the best of their knowledge, it is possible that these descriptions include inaccuracies. We recommend that this document be used to initiate steps in formalization of the process. A first step in formalization is to arrive at a consensus regarding the actual sequence of steps in the process and accurate definitions of the roles of decision makers within the process.

Once consensus around steps and roles of those involved in the disposition process has been reached, we recommend that the City take steps to promote public awareness of it. These steps should include publishing and distributing copies of a diagram or narrative of the process to neighborhood organizations, potential developers and other interested community members. The City should strongly consider designating a city staff member, most likely an Office of Planning staff member, to serve as a liaison to the public regarding vacant property disposition issues.

The City of San Diego, California is an example of a municipality that has created a staff position, the Vacant Property Coordinator, specifically to perform this function. The addition of this staff member to its Neighborhood Code Compliance Department increased the city's capacity to address its vacant property challenges, in particular enabling it to communicate regularly with potential developers and other community stakeholders. Another best practice that is a little closer to home is the City of Lawrence's

proposal in response to a Request for Proposals by the Community Development Advisory Board. This proposal, described in more detail in the body of the report, describes a plan for formalizing the process by which it selects community development projects to invest in.

Recommendation #3: *Increase transparency through public record keeping and more feedback to developers.*

The City can expand its public record-keeping activities by utilizing its website to post items such as minutes of Real Property Task Force and City Council meetings and copies of the most recent Requests for Proposals. In addition, we recommend that the City increase the feedback it gives to developers during the RFP process, particularly to those whose bids were denied. These measures would increase general understanding of how property disposition decisions are made, and ultimately attract the business of responsible developers. .

The following resources offer information salient to the City's efforts to increase transparency of its disposition process: the *Guideline for Real Property Disposition*, published by the Massachusetts Housing Partnership, and the *Public Property Procurement Manual*, published by the Inspector General. Both resources are discussed at greater length in the body of the report.

Recommendation #4: *Increase the efficiency of the process, both in terms of speed and volume of properties disposed.*

Increasing the volume of disposed city-owned properties will increase the tax base for the City, bring more properties into viable use and attract a greater diversity of developers to do work in Lawrence. Establishing a timeline, with deadlines for completing each step of the process, would help both the Office of Planning and City Council make their deliberations in a timely manner. In addition, greater coordination between different city agencies could reduce redundant aspects of the process. Lastly, prioritizing properties in target areas could clarify and speed up the decision-making process. Best practice research suggests that the Neighborhoods in Bloom program of the City of Richmond, Virginia is an excellent example of how prioritizing property disposition in target areas can increase efficiency by reducing the amount of conflict in the decision-making process.

Conclusion

The findings of the Lawrence Practicum show that Lawrence has improved its property disposition process over the past five years, but there remains room for improvement. The City could best improve the disposition process and its outcomes by following the recommendations below:

- Continue to dispose of properties in clusters,
- Formalize the process and the roles of decision-making and recommending bodies,
- Improve transparency through public record keeping, and
- Increase efficiency by implementing a timeline, encouraging coordination and collaboration of city agencies and prioritizing property disposition in targeted areas.

PROPERTY OUTCOMES

Introduction

The analysis of disposed property revealed that over the past nineteen years, sixty properties were disposed through the City of Lawrence disposition process. Over the past five years, Lawrence has seen a large increase in the number of disposed properties, but on average still disposes only seven properties a year. While some disposed properties were scattered around the entire city, most of the disposed properties were located in three clusters in the North Common, Park Street, and Tower Hill neighborhoods on the north side of the city. For the most part, developable properties were developed and non-developable properties were maintained. Because of the infusion of new development on many of the disposed properties, disposal of property for development has been beneficial to the neighborhoods in which those properties were located.

Methodology

To determine the outcomes of the current vacant lot disposition process, we began by conducting a windshield survey of the properties successfully disposed by the city in the last decade. First, we obtained a list of disposed properties from the city attorney's office. To supplement the attorney's list, we completed a search for deeds in which the City of Lawrence was a grantor. For the windshield survey, we developed criteria to evaluate the outcomes of disposed properties. This list included the following:

- Existence and type of development
- Land use
- Context sensitivity
- Type of development on abutting properties
- Physical description of the property

The windshield survey took place over seven visits to Lawrence in October and November, 2006. We documented each property through notes and photographs.

We combined data acquired firsthand through the windshield survey with pertinent information from the Assessor's Office. Relevant data from the Assessor's Office included the size of the parcel, the number of units on the property, the status of any construction, and current assessed value. Such data was pivotal to executing our analysis because we would have been unable to obtain exact values for many of the items through visual inspection alone. Unfortunately, the Assessor's Office data was in some cases incomplete.

Most of the data and graphs included in this report represent a snapshot of disposition outcomes, collected at a distinct point in time during the course of our investigation. We were able to investigate differences in disposed property by time of disposition. However, date of construction would have been a more useful set of data to evaluate disposition's effects on the neighborhood. Unfortunately, the records in the Lawrence Building Inspection Office were limited and unreliable. Nevertheless, we were able to obtain a significant amount of useful data that enabled us to paint an overall picture of disposition in Lawrence. It allowed us to examine the data through three important lenses: grantee type, date of disposition, and location in a cluster. All three categorizations will be featured in the next section.

Outcomes

Different Types of Bidders

Property was disposed to recipients in three main categories: for-profit developers, non-profit developers, and abutters. In our analysis, it was important to note who developed the property because the use and type of development was strongly correlated with the type of grantee. Use of property followed from the specific missions, aims and needs of each category of grantee. Differences in disposition outcomes by grantee type are described below.

For-profit developers, generally, purchase land from the city to develop single-family homes and duplexes and sell them at market rate. Because they are able to sell their property at market rate, they are able to pay relatively more than abutters and non-profit developers for parcels of land and still turn a profit. As such, for-profit developers tend to prevail in the disposition process by being the highest bidder, and have been most successful when the city makes its decision based primarily on bid prices.

Figure 1: For-profit development in Lawrence



The two properties above are representative of for profit development on disposed property in Lawrence. The left picture is of 356 Broadway and the right is of 76 Greenwood Street. (Photos by authors)

Non-profit developers in Lawrence have much different motivations. Generally, that motivation is to provide affordable housing to low-income residents. Because subsidies are necessary for the construction of affordable housing in Lawrence, non-profit developers usually cannot afford to pay the assessed value for properties. Therefore, non-profit developers acquire properties not through highest bidder status, but rather under consideration of comparative criteria, most notably whether the project will provide additional benefits to the city. Whereas for-profit residential development tends to be 1- or 2-family housing, non-profits tend to develop multi-family housing.

Figure 2: Non-profit development in Lawrence



The two properties above are representative of non-profit development on disposed property in Lawrence. The left picture is of 12-22 Summer Street developed by Lawrence CommunityWorks and the right is of 19-21 Gale Street developed by Merrimack Valley Habitat for Humanity. (Photos by authors)

Abutters are owners of property that lie adjacent to the disposed parcel. Often, these parcels are disposed to provide either open space or parking for neighboring property owners. Though grantees of this type constitute a much smaller percentage of property recipients than the other two groups, abutters represent an important constituency in the process and should not be overlooked.

Figure 3: Property Disposed to Abutters



The two properties above are representative of properties in Lawrence that were disposed to abutters. The left picture is of 5-7 Elizabeth Street and the right picture is 179 Newbury Street. Abutters in these cases are using disposed property for parking and a back yard respectively. (Photos by authors)

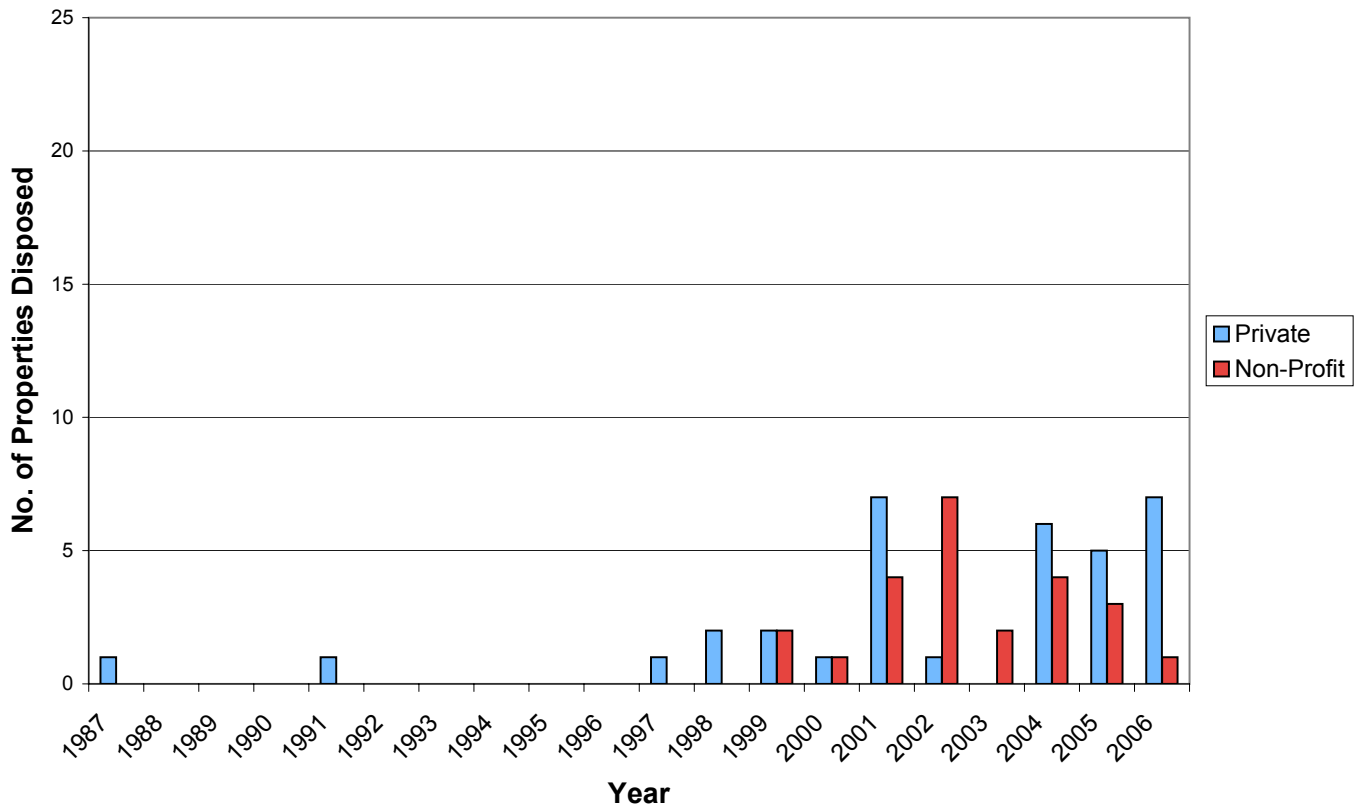
Summary Statistics

Our goal in manipulating this data was to obtain the lay of the land, specifically whether the properties that came out of the city's disposition process were put to a beneficial use. By analyzing development over time, we were able to understand the effectiveness of the disposition process over time and construct a story of the redevelopment of some neighborhoods. Looking at various data by grantee type allowed us to observe the role that each group played in helping to redevelop Lawrence. We were also able to document citywide patterns in development.

The list of properties we obtained from the city attorney and our deed search numbered 64 properties. Four of these properties were pending sale, which left 60 properties to evaluate. The dates of disposition spanned from 1987 to 2006. As you can see from Figure 4 below, properties were not consistently disposed until 1997, and an appreciable number did not come out of the pipeline until 2001.

Though the disposition process did pick up in more recent years, the total volume of properties disposed was still low during this span. There is still much room for improvement.

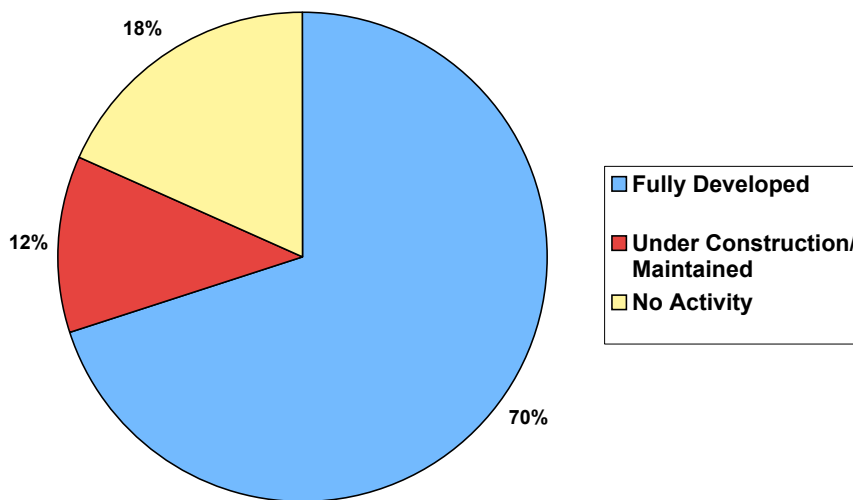
Figure 4: Disposed Property by Year and Grantee Type



The graph above shows the number of disposed properties by grantee type and by year. (Source: 2006 Lawrence Practicum, Lawrence Attorney's Office)

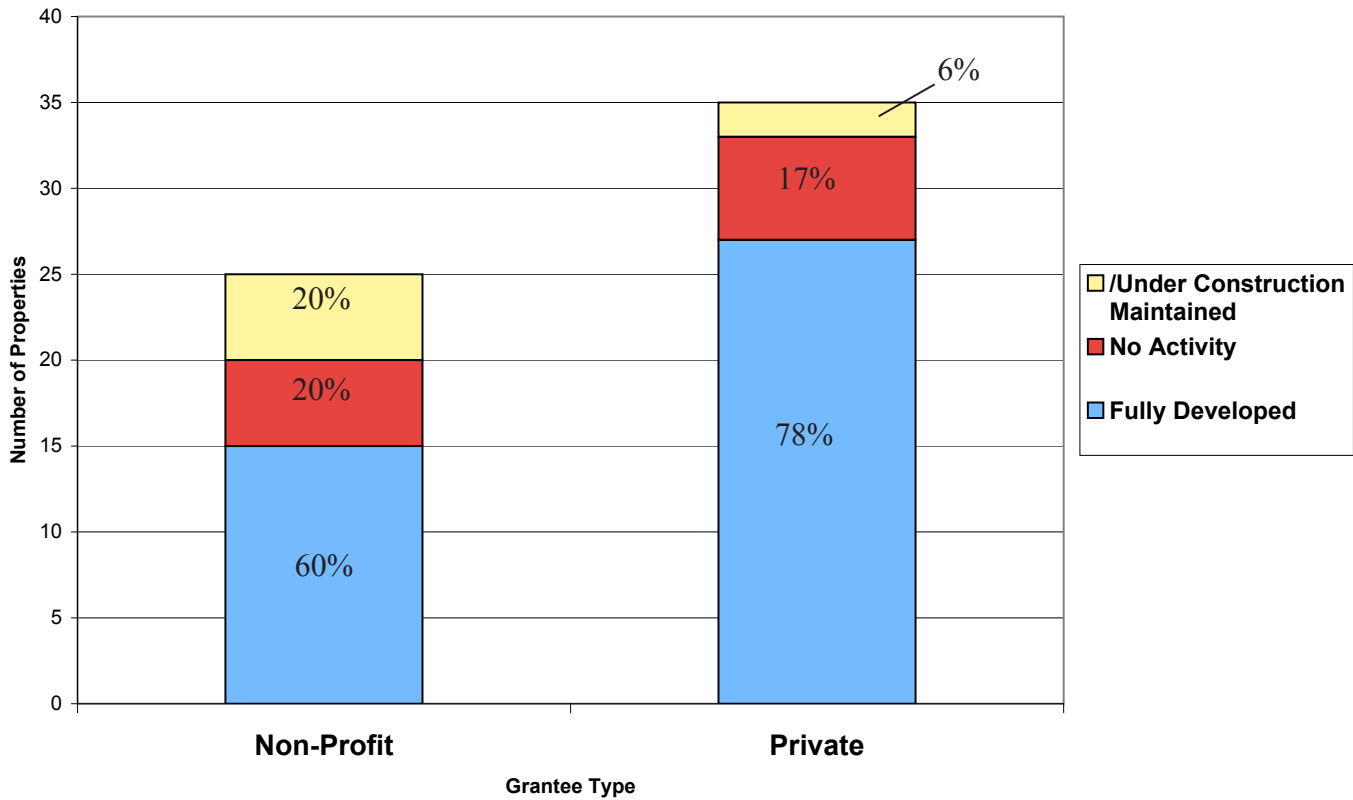
The most important criterion we evaluated was whether or not the disposed property was developed or maintained. The results can be seen in Figure 5, which shows the extent of development of properties that have gone through the disposition process. By far, most of the properties that have gone through the disposition process have been fully developed or renovated (70%). However, almost one-fifth of the properties have seen no activity since ownership changed hands from the city to the grantee. As Figure 6 shows, the proportions of fully developed properties were nearly equal for both private (which includes for-profit and abutters) and non-profit developers.

Figure 5: Percentage of Disposed Property Developed



The above graph shows the percentage of disposed properties developed, under construction/maintained, and vacant. (Source: 2006 Lawrence Practicum, Lawrence Attorney's Office, lawrencedeeds.com)

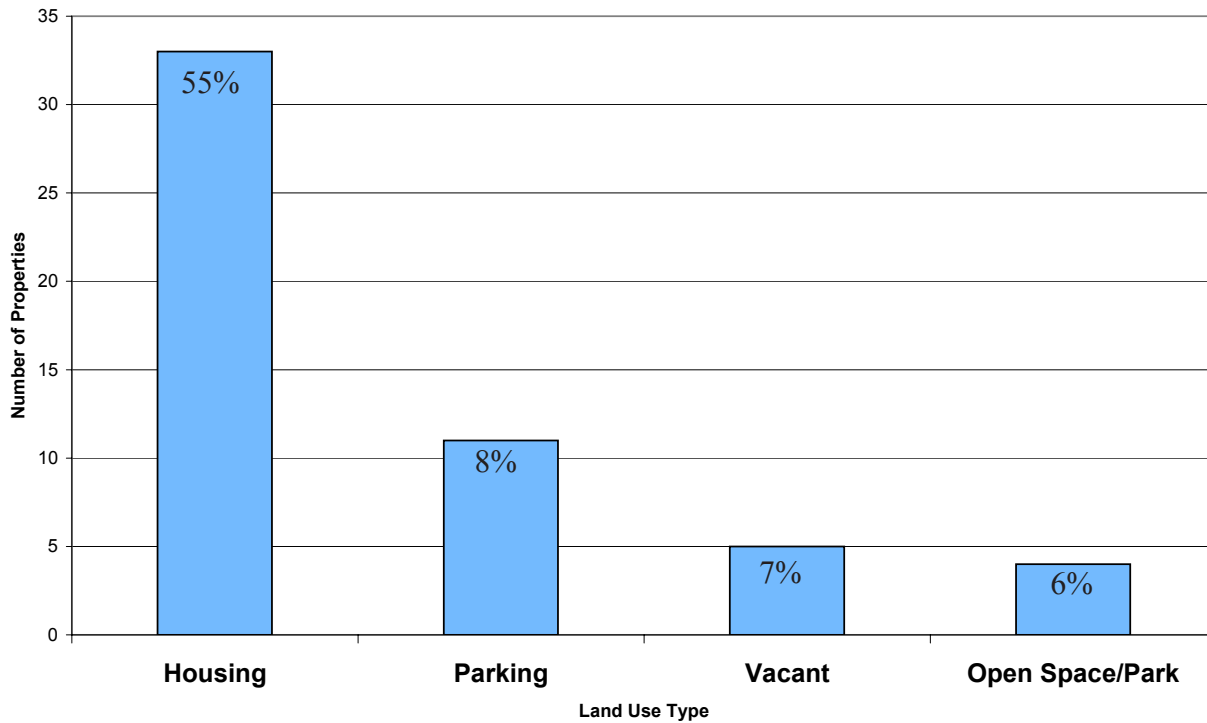
Figure 6: Share of Disposed Property and Percentage Developed by Bidder Type



The graph above shows the share of disposed property that went to non-profit and for-profit/private uses. It also shows the extent of development. (Source: 2006 Lawrence Practicum, Lawrence Attorney's Office, lawrencedeeds.com)

The two most common uses for disposed property were housing and parking. Figure 7 shows the breakdown of property by land use. The majority of disposed property went for housing, mostly duplex housing (see Fig. 8). Parking was a distant second with open space lagging behind. The "other" category included commercial uses, community gardens, and a community center.

Figure 7: Disposed Property by Land Use



The graph above shows the share of disposed property by different land uses. (Source: 2006 Lawrence Practicum, Lawrence Attorney’s Office, lawrencedeeds.com)

Figure 8: Distribution of Disposed Properties by Number of Housing Units

Number of Units	Number of Properties	Percent of Properties
0	26	49.1%
1	7	13.2%
2	17	32.1%

The chart above shows the distribution of disposed property by the number of housing units. (Source: 2006 Lawrence Practicum, Lawrence Attorney’s Office, lawrencedeeds.com)

The final criterion we examined was the City’s return on resources invested in acquiring properties through land court and disposing of them. We analyzed this criterion in two ways in order to derive the City’s property tax revenue gains. First, we examined the price at which the City sold properties. Second, we looked at the current assessed value of the property. To avoid distortion of the data, both of the latter were normalized by the size of the project. The data is presented below in Figure 9.

Figure 9: Prices and Values of Disposed Property by Grantee

Mean Sales Price per SF by Grantee Type	
Private	5.27
Non-Profit	0.80

Mean Value per Square Foot by Grantee Type	
Non-Profit	\$26.15
Private	\$24.47

The charts above show the mean sales price and mean value for disposed properties by grantee type. (Source: 2006 Lawrence Practicum, Lawrence Attorney’s Office, lawrencedeeds.com, Lawrence Assessor’s Office)

Though non-profits generally pay significantly less for their parcels, the properties they develop generate a contribution to the tax base.

While summary statistics proved insightful, spatial analysis of disposed properties painted a more complete picture of the outcome of property disposition.

Spatial Analysis

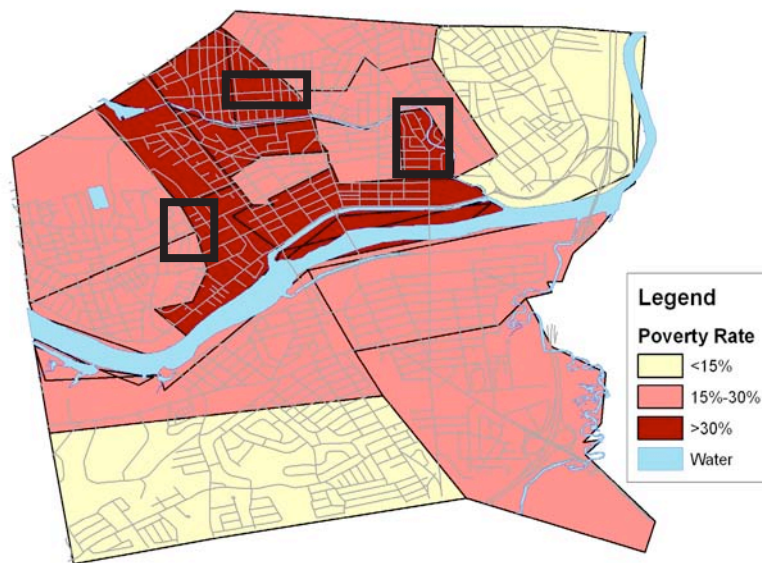
Of the disposed property, the vast majority of properties were located on the north side of Lawrence, and of those, most are located in one of three clusters—the Tower Hill, Park Street, and North Common neighborhoods. Though it may seem that the City planned this clustering, the Lawrence Office of Planning denies any effort to intentionally cluster disposed property. The level of previous abandonment and disinvestment in these neighborhoods combined with active non-profit developers seems to have resulted in the clustering. While many of the disposed properties were clustered, these clusters also contain large numbers of properties that are city-owned, in land court, in the tax title process, or flagged as abandoned or vacant. The disposed properties in the clusters were disposed to different bidders and different types of bidders, and this clustering enhanced the impact of development.

Of the sixty properties that were disposed, thirty-six are located within clusters (See Map 1 for cluster locations). Further, of the eighteen properties for which the city has recently issued requests for proposals, an additional eight properties are located within these clusters. Yet, within these clusters there are still high levels of abandonment. There are 25 city-owned properties, 114 properties in land court or the tax title

process, and 63 properties that are flagged as abandoned or vacant. While many of the disposed properties fall into clusters, there continues to be a significant number of parcels that could be redeveloped.

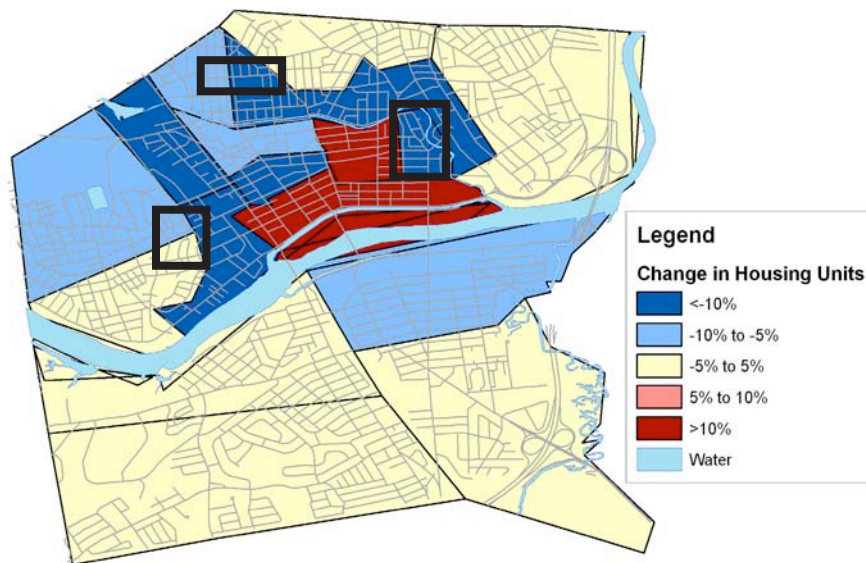
The Tower Hill, Park Street, and North Common clusters seem to exist for similar reasons. It is likely that the clusters exist because of previous disinvestment in those specific neighborhoods and the development activities of non-profit groups that, in turn, exist, because of disinvestment in those neighborhoods. From interviews with city staff and non-profit developers and analysis of census data, it appears that that clusters of disposed property are located in sections of the city that are the poorest and face high levels of abandonment. The Tower Hill, Park Street, and North Common neighborhoods have some of the highest poverty rates in the city (See figure 10). Each cluster overlapped with census tracts with poverty rates above 30%. These neighborhoods also saw a significant loss of housing units between 1990 and 2000 (See figure 11). As a result, the city was able to acquire more property in these clusters/areas because there was simply more vacant and abandoned property to be had. Because the City was able to obtain more property in those areas, it follows that it was also more likely for disposed properties to be located in these neighborhoods as well.

Figure 10: Poverty Rate in Lawrence in 2000 with clusters



The clusters of disposed property exist in neighborhoods with high poverty rates. The black boxes are the clusters. (Map created by 2006 Lawrence. Sources: U.S. Census, Geolytics Neighborhood Change Database, Lawrence Assessor's Office)

Figure 11: Change in Housing Units between 1990-2000 with clusters



The clusters of disposed property exist in neighborhoods that have seen recent losses of housing units. The black boxes are the clusters. (Map created by 2006 Lawrence. Sources: U.S. Census, Geolytics Neighborhood Change Database, Lawrence Assessor's Office)

In part because of this poverty and disinvestment, non-profit housing developers emerged in each of these clusters. Lawrence CommunityWorks began work as a non-profit developer in the North Common. The same can be said for Habitat for Humanity in Tower Hill and Bread and Roses Housing, Inc. in the Park Street area. These developers have a conscious strategy of concentrating development for maximum impact. By concentrating development, properties can benefit from increased investment in the immediate area, creating a synergy that can be mutually beneficial for property owners. For this reason, non-profit developers plan development within specific neighborhoods. For example, last summer Lawrence CommunityWorks held a neighborhood planning charrette that looked specifically at the development of vacant parcels in the North Common neighborhood.

The story of these clusters has been much the same with some subtle differences. Yet these individual stories of clusters shed light on the progress of the neighborhoods in which clustering occurred.

Stories of Clusters

From our windshield survey, we observed that disposed properties are clustered in three neighborhoods in Lawrence: Tower Hill, Park Street, and the North Common. While the story of each cluster has unique details, their overall story is very similar. In each neighborhood, a non-profit affordable housing developer has been at the forefront of development. The affordable housing developers decided to focus on development in particular neighborhoods because of decreasing housing values and increase in building abandonment as a result of a crash in the housing market in the late 1980s and a rash of arsons in the early 1990s. In two cases, the location of a donated property determined the specific neighborhood on which a non-profit developer would focus. Later, the owners of the new homes constructed by the non-profits requested that they continue development in the neighborhood to increase homeownership and affordable housing options. The homeowners' requests were closely aligned with the missions of the non-profits, who sought to concentrate homeowners in an area because they were more likely to financially, socially, and emotionally invest in the neighborhood. In the late 1990s and early 2000s, as more properties came through the city disposition process, non-profits began to develop significantly more affordable housing on city disposed land.

Although the non-profits spurred development in these neighborhoods, they were not alone in minimizing the number of vacant lots in these clusters. Despite the complexity of the property disposition process, neighborhood property owners and private developers also took possession of vacant lots in the neighborhoods. Property owners usually owned parcels abutting or near vacant lots and used these lots for additional parking or green space. Two clusters have several parcels that have been acquired by the same private developer who has also contributed to increasing the homeownership rate by building housing in these neighborhoods. However, the private developer's strategies are a result of positive changes in the housing market rather than neighborhood planning.

Within each cluster, an affordable housing developer has led the development of vacant lots.

Park Street (Map 2)

The Park Street neighborhood, along the Tower Hill and North Common neighborhoods, was devastated by the crash of the real estate market in the late 1980s. In the late 1970s- early 1980s, owner occupancy was significantly lower than the statewide rate. Over ninety percent of those who owned property in the Park Street area did not actually live in the neighborhood. Because of the real estate crash, many investors abandoned their properties. Housing values decreased because owners could not afford to charge low rents at the same time that mortgages continued to increase. This resulted in a high abandonment rate in the Park Street neighborhood. Later, several properties were destroyed by arsons and many in the neighborhood were demolished by the city.

In 1998, the Park Street neighborhood saw a significant increase in the development of vacant lots. Bread and Roses Housing, Inc. began development on vacant and abandoned lots when two lots were donated to the organization. Later that year, Bread and Roses acquired two adjacent properties through the city disposition process and developed multi-family housing on both lots. Owners of Bread and Roses Housing, Inc. homes began asking the organization to focus their efforts on the Park Street neighborhood because of the benefits of increased homeownership. As Bread and Roses Housing, Inc. continued to obtain properties

through the city disposition process and tax title liens for affordable housing development, a private developer, Daher Group, Inc., began developing in the Park Street neighborhood by acquiring its first disposed property in 2002, and later obtaining three more in 2006. While other disposed lots have been acquired by property owners in the Park Street neighborhood, the developers that have been the leaders of housing construction in this cluster are Bread and Roses Housing, Inc. and Daher Group, Inc.

Figure 12: Timeline of Disposition in Park Street Cluster

Date Disposed	Number	Street	Grantee
9/30/1987	188	Lawrence St.	Sam Catalano
3/28/2001	410	Hampshire St.	Lazarus House
3/28/2001	473	Hampshire St.	Maria Rodriguez
10/14/2002	208-212	Park St.	Bread & Roses Housing
10/17/2002	214	Park St.	Bread & Roses Housing
12/11/2002	21-23	Bromfield St.	Lawrence Youth Commission
1/21/2004	109-115	Park St.	Bread & Roses Housing
2/4/2004	108-110	Park St.	Daher Group, Inc
11/8/2004	125-127	Park St.	Bread & Roses Housing
5/11/2006	28	Walnut St.	Daher Group, Inc
7/12/2006	83-85	Saratoga St.	Daher Group, Inc
7/12/2006	225-227	Lawrence St.	Daher Group, Inc
unknown	105-107	Park St.	Charles Hope Companies, LLP
unknown	27-29	Trenton St.	Arlington Community Trabajando

Figure 13: Park Street Distribution of Use, Distribution of Grantee Type, and Future Priorities

Use

Housing	11
Parking	2
Open Space	0
Vacant	0
Other	1

Grantee Type

For-Profit	7
Non-Profit	6
Abutters	1

Future Priorities

City-owned	11
Tax Title	56
Vacant	18

Tower Hill (Map 3)

Like the Park Street neighborhood, the Tower Hill neighborhood was severely impacted by the real estate crash of the late 1980s. Around the same time, Merrimack Valley Habitat for Humanity was established. Habitat’s first development in the Tower Hill neighborhood was on a donated vacant lot on Railroad Street, where they constructed a two-family home. Soon after, Habitat was able to develop an eight-unit residential structure on another lot in the same neighborhood along Hancock Street. It was after these two developments that Habitat for Humanity began to make a conscious effort to focus on the Tower Hill neighborhood, recognizing the importance of building financial and emotional investment on the part of homeowners and realizing the spillover benefits of clustering development. They were able to develop several single and two-family homes throughout the Tower Hill neighborhood, including more along Hancock Street and Gale Street. The increases in homeownership and new developments led to an overall improvement in the neighborhood, including a decrease in the number of perceived drug transactions.

Merrimack Valley Habitat for Humanity was the first developer to obtain properties from the City in the Tower Hill neighborhood when the number of properties going through the disposition process increased in 2000. At this time, Habitat was the only housing developer in the neighborhood. Later, the Daher Group obtained and developed two properties in the Tower Hill area. Other development in the area has mostly been done by abutters but the increase in the development of housing in the Tower Hill area has positively reshaped the area and helped it begin to recover from declining homeownership rates and housing values.

Figure 14: Timeline of Disposition in Tower Hill Cluster

Date Disposed	Number	Street	Grantee
10/5/1999	78-80	Butler St.	Dionisio Cruz
4/5/2000	24	Champlain Ave	Habitat for Humanity
3/28/2001	5-7	Elizabeth St.	Magdaleno Dipre
10/15/2002		Bevel and Lynch St.	Greater Lawrence Habitat for Humanity
5/21/2003		Lowell & Warren	Evangelica Hispana Iglesia
1/14/2004	380-384	Lowell St.	Daher Group, Inc
1/22/2004		Gale St.	Greater Lawrence Habitat for Humanity
1/22/2004		Gale St.	Greater Lawrence Habitat for Humanity
2/4/2004	74-76	Greenwood St.	Daher Group, Inc
2/1/2005	414-418	Lowell St.	Evangelica Hispana Iglesia
11/22/2005	48	Greenwood St.	William DePippo
unknown	125	Margin St.	Pare, Herve

Figure 15: Tower Hill Distribution of Use, Distribution of Grantee Type, and Future Priorities

Use

Housing	7
Parking	3
Open Space	0
Vacant	1
Other	1

Grantee Type

For-Profit	4
Non-Profit	5
Abutters	3

Future Priorities

City-owned	8
Tax Title	30
Vacant	19

North Common (Map 4)

The North Common neighborhood differs from the Park Street and Tower Hill clusters in several ways. Unlike Bread and Roses Housing, Inc. and Merrimack Valley Habitat for Humanity, Lawrence CommunityWorks (LCW), the non-profit developer in the neighborhood, did not begin its redevelopment work by chance through the donation of a vacant lot. Although LCW developed its first disposed property in 1999, it had done previous community development work in the North Common. Appreciating its positive impact in the community, neighborhood residents asked the LCW to focus its redevelopment there.

The Reviviendo Family Housing initiative, part of LCW’s Project Reviviendo, is the organization’s strategic revitalization effort of one of the most abandoned neighborhoods in Lawrence. When the project began, there were sixty-four sites in the North Common neighborhood that were either abandoned buildings, vacant lots in land court or tax title, and abandoned alleyways, which comprised twenty-nine percent of the area of the neighborhood. Lawrence CommunityWorks collaborated with the City of Lawrence, GroundWork

Lawrence, and other non- and for-profits to reclaim the vacant land in the North Common. Of the eleven properties disposed by the city in the North Common, nine were acquired by LCW. Of the land that has been redeveloped thus far, twenty-two percent has been developed by LCW for housing and community center space. As a result of the Reviviendo Family Housing Initiative, the neighborhood has seen an increase in property values and a reduction in crime. In 2006, the Reviviendo Family Housing Initiative was given the Department of Housing and Urban Development's Maxwell Award for its work in developing collaborations and partnerships among private and non-profit entities to create and successfully implement a neighborhood revitalization plan for the North Common.

Figure 16: Timeline of Disposition in the North Common Cluster

Date Disposed	Number	Street	Grantee
11/5/1999	36	Summer St.	LPNDC
3/28/2001	68-70	Union St./Summ	Lawrence CommunityWorks
5/22/2001	12-22	Summer St.	Lawrence CommunityWorks
8/7/2001	13	Elm St.	Ofelia Munoz
8/22/2002	122-124	Union St.	Lawrence CommunityWorks
8/27/2002	112-120A	Union St.	Lawrence CommunityWorks
12/12/2002	101-103	Haverhill St.	Lawrence CommunityWorks
3/10/2003	166-168	Newbury St.	Lawrence CommunityWorks
10/24/2005	127-131	Newbury St.	Lawrence CommunityWorks
10/24/2005	134-136	Union St.	Lawrence CommunityWorks
8/31/2006	179-181	Newbury	Olga Silvera

Figure 17: North Common Distribution of Use, Distribution of Grantee Type, and Future Priorities

<i>Use</i>		<i>Grantee Type</i>		<i>Future Priorities</i>	
Housing	6	For-Profit	0	City-owned	6
Parking	1	Non-Profit	9	Tax Title	28
Open Space	2	Abutters	2	Vacant	26
Vacant	1				
Other	1				

Within each of these clusters, non-profit and for-profit developers have developed vacant and abandoned property disposed by the city. While there is limited evidence that they formed working relationships, the combination of both types of development has undoubtedly improved the area. The proximity of these developments to each other reinforced the benefits of the new development. Such clustering enhanced the impact of development by creating a synergy between the developments.

Recommendations

Because the clusters have been successful in reinforcing the positive changes in the neighborhoods and small properties that have been disposed to abutters have generally been maintained or put to use for parking, it makes sense to focus property disposition in those two ways. We recommend that the City of Lawrence:

- Continue to dispose of the properties in clusters to target resources and promote revitalization of neighborhoods
- Continue to ease the disposition of small parcels to abutters in locations where increased density is not desired.

While Lawrence has done a good job of clustering disposed properties and has quickly disposed of undevelopable parcels to abutters, the Office of Planning should continue to build on these positive aspects of the disposition process to increase the rate of disposition of property. Within the clusters there are 25 properties that the city owns and 114 that are in tax title. The city should increase the rate at which these are disposed. The Best Practices section presents several examples of successful programs in other cities that Lawrence could follow in order to build on already successful clustering and abutter programs.

Best Practices

Best Practice: Target disposition efforts in clusters where feasible:

As discussed above, recent disposition of surplus parcels to both for-profit and non-profit entities appears to be concentrated in three neighborhood clusters. This is largely the result of the large number of vacant lots existing in those neighborhoods. These neighborhoods also happen to fall into the Gateway, Arlington, and Lower Tower Hill “Target Areas” in the City of Lawrence Annual Action Plan for CDBG and Home Programs for Fiscal Year 2004-2005. Examples in other cities provide evidence that targeting property disposition and investment of resources has proven to be a highly effective strategy in affecting positive physical and economic improvements at both the neighborhood and broader community levels.

Example 1:

Richmond, Virginia’s Neighborhoods in Bloom (NiB) program was developed by the city manager’s office and other city staff at the request of the City Council in 1999. The goal of the program is to attract and sustain private investment in historically disinvested neighborhoods by targeting limited public resources to restore physical livability and improve neighborhood stability. In order to determine which areas to target, the City examined data on Richmond’s 49 neighborhoods, conducted numerous community meetings to solicit input, and ultimately the city council approved the selection of the seven neighborhoods, all areas of concentrated poverty. In addition to targeting public and nonprofit resources, NiB seeks to attract private capital by actively marketing and promoting housing renovation, restoration, construction, and sales in the selected neighborhoods.¹

¹ Brophy, Paul and Jennifer Vey. “Seizing City Assets: Ten Steps to Urban land Reform.” The Brookings Institution: 2002. <http://www.ci.richmond.va.us/departments/communityDev/neighborhoods/>

An analysis commissioned by the Federal Reserve Bank of Richmond and conducted by Richmond LISC in 2005 showed the following results of the targeted efforts of Neighborhoods in Bloom over just 5 years:

- Housing prices in targeted areas appreciated at a rate of 9.9% per year faster than the citywide average, substantially increasing the assets of neighborhood residents.
- Prices in non-targeted blocks, but within 5,000 feet of the impact areas, also increased at a rate of 5.3% faster than the citywide average.
- As investment in a given block increased beyond a \$20,000 threshold level, a significant boost in prices of initially 50% with continued 9.6% annual increases thereafter was experienced.
- Even blocks in the target area that had no investment experienced substantial increases in value suggesting a spillover effect in the entire target area.
- Aggregate value for tax assessments in the targeted areas increased between 44 and 63 percent.

The rising property values have accelerated private investment in the neighborhood by reducing the gap between development costs and market values. “That is the ripple effect. New and diverse families move in. Existing residents recommit themselves.”²

Example 2:

In **Baltimore, Maryland** the Patterson Park Community Development Corporation has initiated a systematic effort to redevelop vacant properties in the city’s Patterson Park neighborhood. Since 1996, they have rehabilitated over 200 houses, leading to millions in private investment, dramatic increases in property values, and higher tax revenues for the City of Baltimore. Home prices have risen from barely \$50,000 in 1996 to over \$250,000 in 2006, substantially increasing the wealth of neighborhood residents and the city’s tax base.³

Best Practice: Transfer certain properties to adjacent owner-occupants:

Properties in Lawrence that have been disposed to abutting property owners as side lots have generally been well maintained. Small lots that are unbuildable or in existing densely constructed neighborhoods could be good candidates for continued disposition to neighboring residents. However, in areas with large numbers of vacant lots, it could be in the city’s best interest to attempt assembly of the lots in order to encourage a scattered-site or other coherent infill strategy. A good GIS-based neighborhood information system is critical to help determine a property’s reuse potential. These lots can often be used as side yards, gardens, play areas, or additional parking. Numerous cities, including Syracuse, NY and Providence, RI, have programs that transfer ownership of vacant lots to abutters for a nominal fee.

2 “The Ripple Effect: Economic Impacts of Targeted Community Investments” Richmond LISC: 2005. Downloaded from www.lisc.org/files/762_file_ripple_effect.pdf

3 Mallach, Alan. “Building a Better Urban Future: New Directions for Housing Policies in Weak Market Cities.” National Housing Institute: 2005. <http://www.ppcdc.org>

Example 1:

The Genesee County Land Bank Side Lot Transfer Program in the City of **Flint, Michigan** aims to stabilize and strengthen property owners' investments in their neighborhoods, while improving neighborhood appearance, reducing public costs, and increasing tax revenues. The program gives priority to property that is not large enough for a separate residential or commercial structure. Owner-occupants of adjacent properties may purchase these lots for \$1, plus any taxes in the foreclosure year, plus a \$14 filing fee. In cases where more than one abutter shows interest, the parcels can be split between adjacent homeowners. Available properties, as well as an application form, are readily accessible on the land bank's website. In its first two years, the program has been successful at returning 142 properties to the tax rolls and productive use.⁴

A 2006 evaluation by students at the University of Michigan details the success of the program, and makes several recommendations for improvement. These include improved publicity to residents to increase awareness of the program, as well as a separate program to transfer side lots to nonprofit organizations for community uses.⁵

Example 2:

The New Kensington CDC in **Philadelphia** "works to stabilize neighborhoods by reusing vacant side lots. Before transferring side lots to new owners, the New Kensington CDC asks applicants to submit a simple plan for reuse. The New Kensington CDC provides basic guidelines for how to reuse side lots in ways that complement the New Kensington neighborhood plan. The City of Philadelphia maintains ownership of the side lot until the resident implements the approved plan for reuse. Transfer of the land occurs once the lot has been incorporated into the adjacent owner's property." All transferred properties show evidence of maintenance.⁶

Example 3:

The New Strategies Program of **Baltimore's** Neighborhood Design Center outlines a variety of ideas for creatively reusing vacant parcels. The Center has created sample designs for sensitive reuse of side lots.⁷

4 <http://www.thelandbank.org/landbank1774062.asp>

5 <http://sitemaker.umich.edu/urpoutreachreports/>

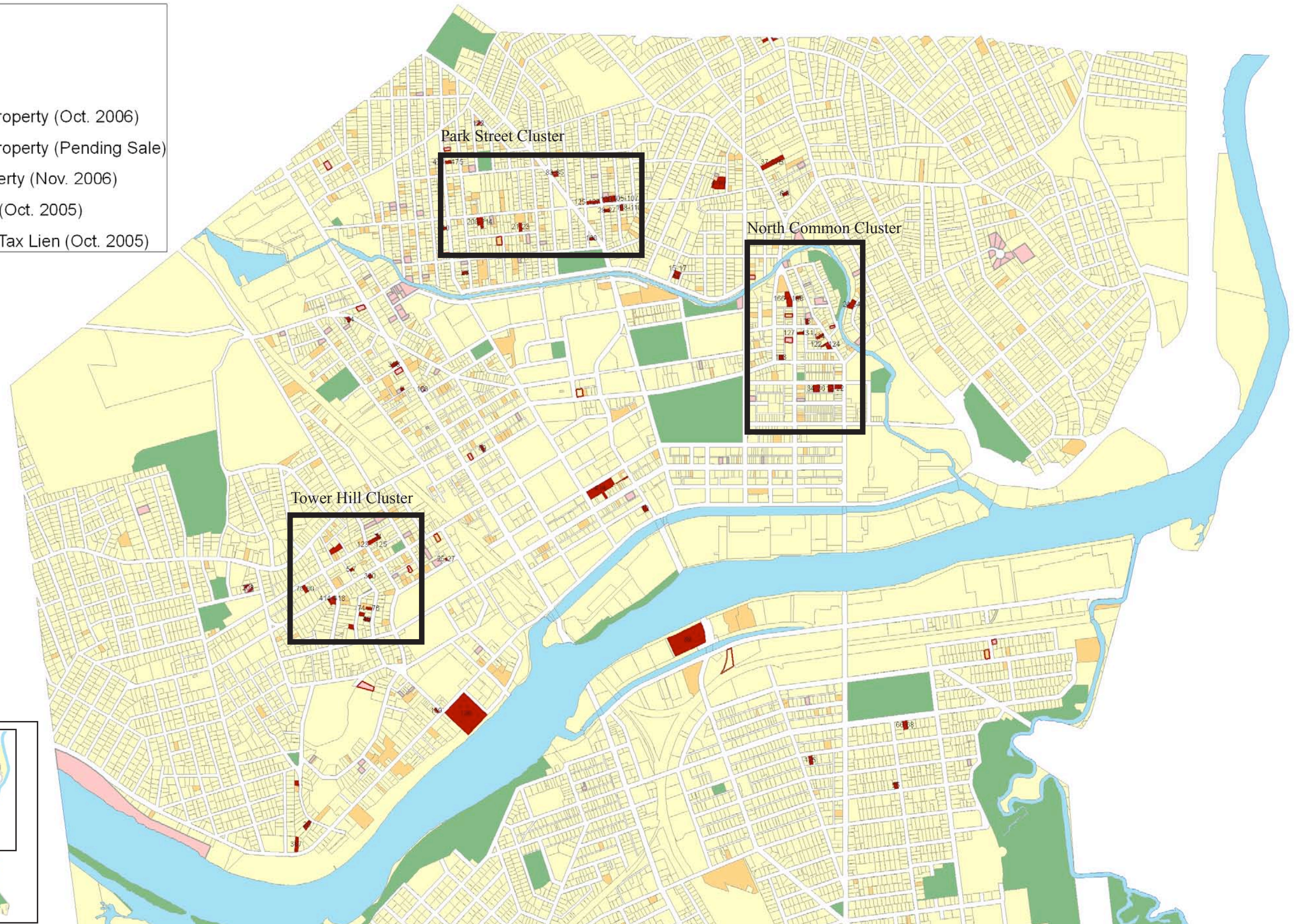
6 <http://sitemaker.umich.edu/urpoutreachreports/>
<http://www.nkcdc.org/home.html>

7 <http://www.ndc-md.org/ndc/newstrategies.html>

Map 1: Disposed Property on the north side of Lawrence, MA

Legend

-  Parks
-  Parcel
-  Disposed Property (Oct. 2006)
-  Disposed Property (Pending Sale)
-  RFP'd Property (Nov. 2006)
-  City-owned (Oct. 2005)
-  Land Court/Tax Lien (Oct. 2005)



Map 2: Park Street Disposed Property Cluster



410 Hampshire Street: Disposed to Lazarus House, March 2001



473-475 Hampshire Street: Disposed to Maria Rodriguez, March 2001



125-127 Park Street: Disposed to Bread and Roses Housing, Inc., November 2004



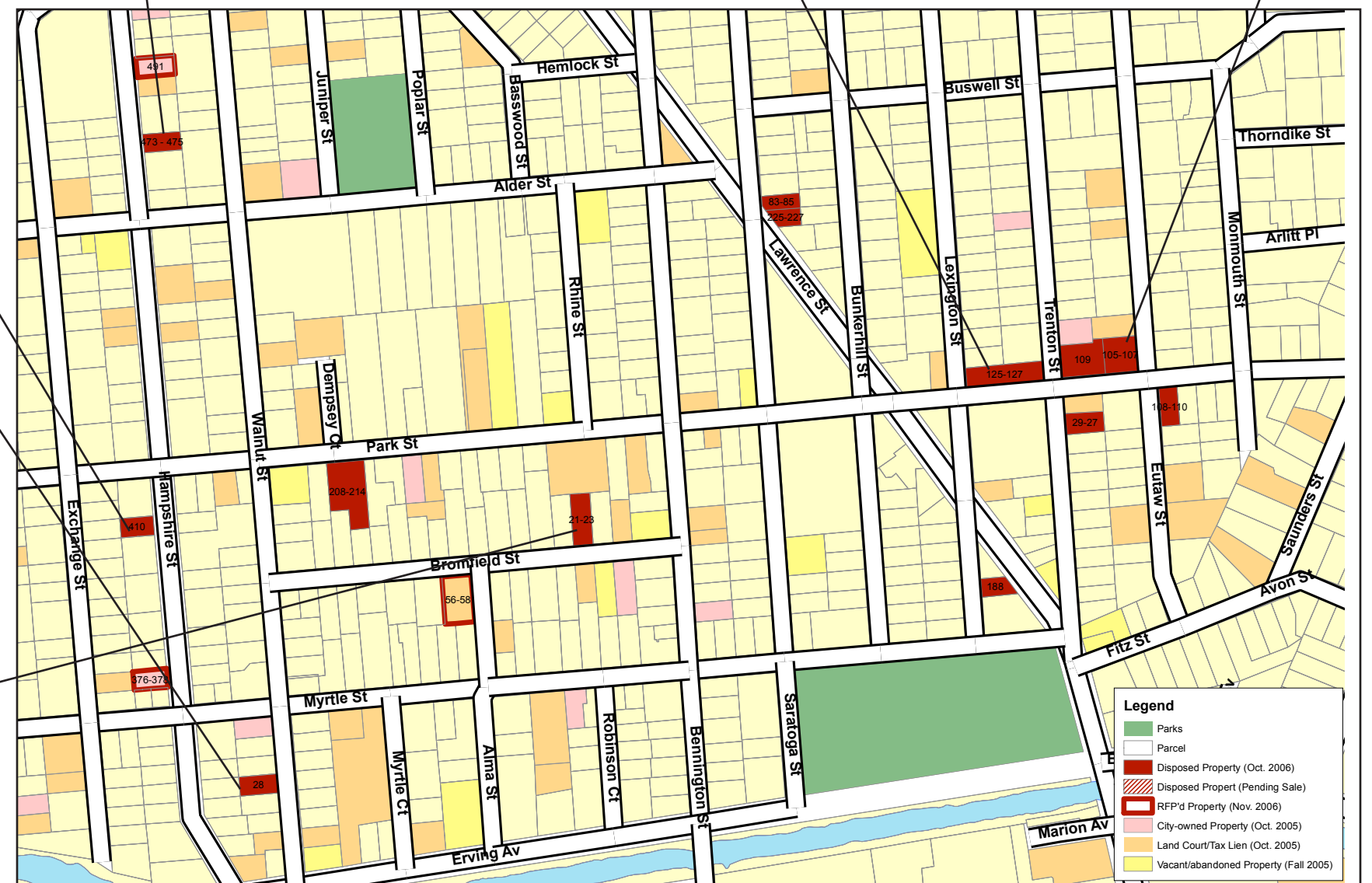
105-107 Park Street: Disposed to Charles Hope Companies, LLP.



28 Walnut Street: Disposed to Daher Group, Inc., May 2006



21-23 Bromfield Street: Disposed to Lawrence Youth Commission, Dec., 2002



Map 3: Tower Hill Disposed Property Cluster



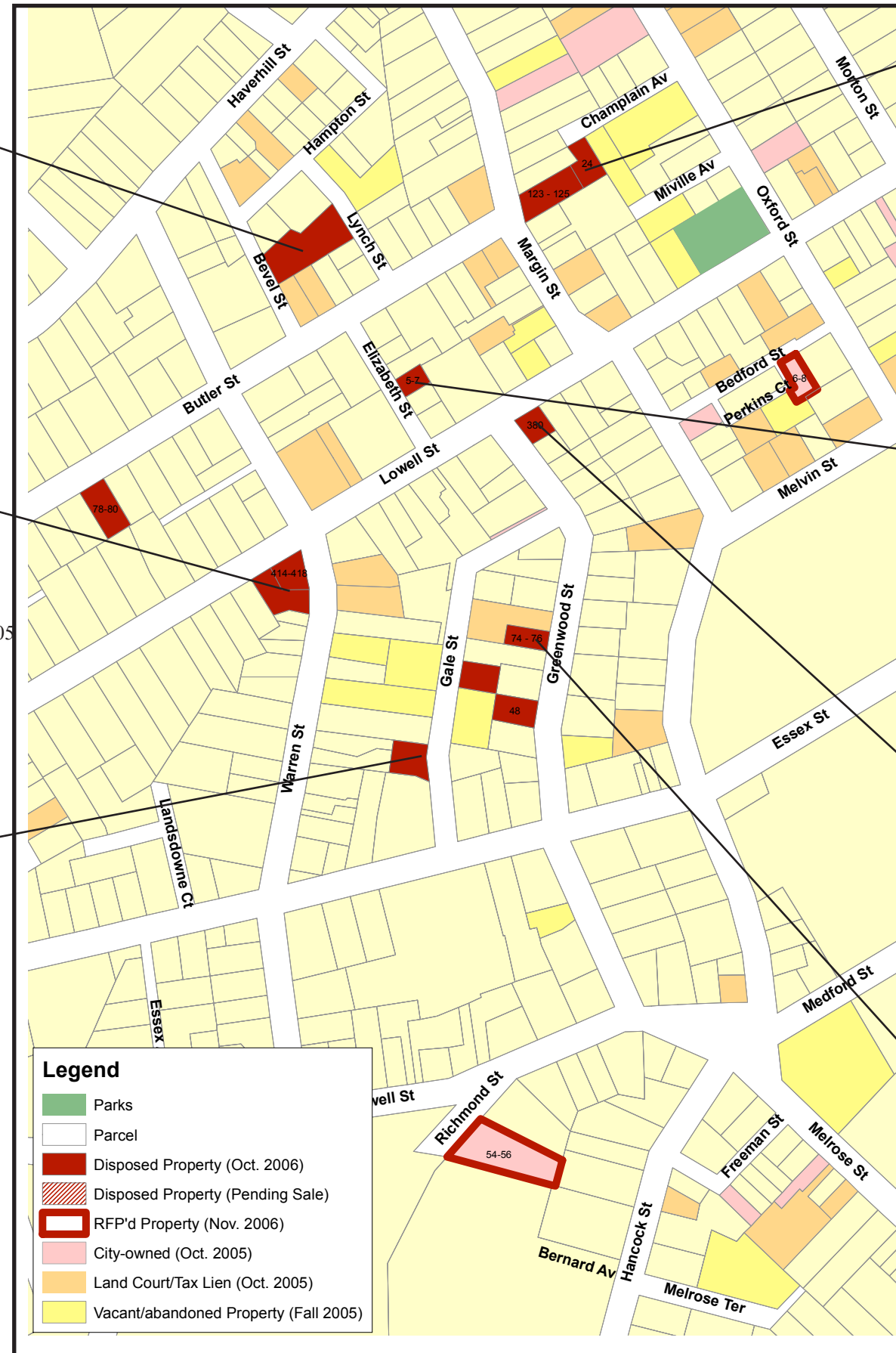
19 Bevel Street: Disposed to Habitat for Humanity, October 2002



414-418 Lowell Street: Disposed to Evangelica Hispana Iglesia, February 2005



Gale Street: Disposed to Habitat for Humanity, January 2004



Legend

- Parks
- Parcel
- Disposed Property (Oct. 2006)
- Disposed Property (Pending Sale)
- RFP'd Property (Nov. 2006)
- City-owned (Oct. 2005)
- Land Court/Tax Lien (Oct. 2005)
- Vacant/abandoned Property (Fall 2005)



24 Champlain Avenue: Disposed to Habitat for Humanity, April 2000



5-7 Elizabeth Street: Disposed to Magdaleno Dipre, March 2001



380-384 Lowell Street: Disposed to Daher Group, Inc., January 2004



76-78 Greenwood Street: Disposed to Daher Group, Inc., February 2004

Map 4: North Common Disposed Property Cluster



166-168 Newbury Street: Disposed to Lawrence CommunityWorks, March 2003



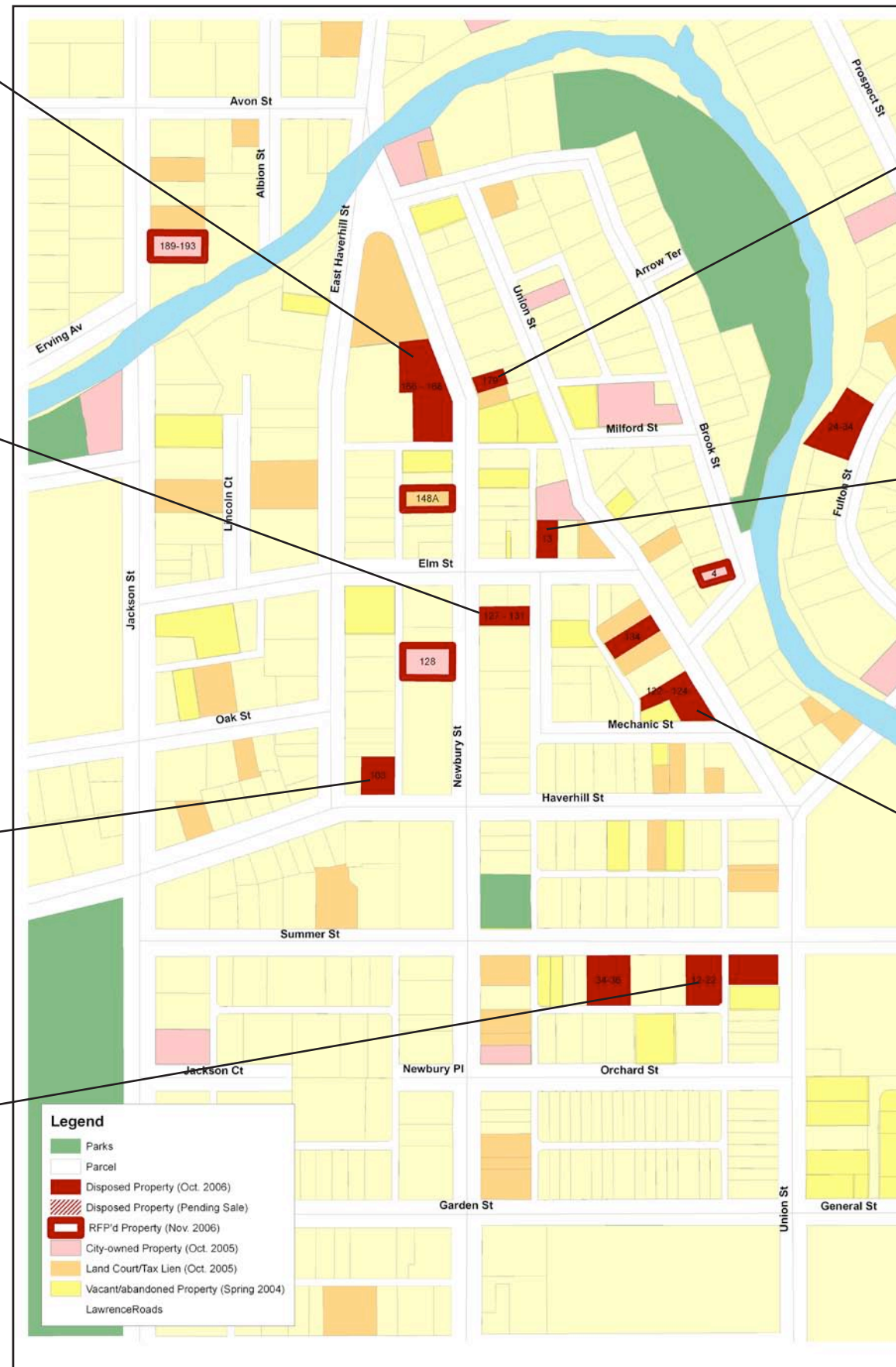
127-131 Newbury Street: Disposed to Lawrence CommunityWorks, October 2005



103 Haverhill Street: Disposed to Lawrence CommunityWorks, December 2002



12-22 Summer Street: Disposed to Lawrence CommunityWorks, May 2001



179 Newbury Street: Disposed to Olga Silvera, August 2006



13 Elm Street: Disposed to Ofelia Munoz, August 2001



Union and Mechanic Streets: Disposed to Lawrence CommunityWorks, August 2002



DISPOSITION PROCESS

Introduction

During the 1980s and 1990s low owner-occupancy (3%) in north Lawrence and the collapse of the national housing market combined to set the scene for owners to walk away from properties as mortgage values soared above property values. An outbreak of arsons throughout these neighborhoods worsened the already deteriorating physical landscape. Through the aggressive work of the city attorneys, the city has acquired 173 vacant properties and is in position to revitalize Lawrence by disposing the properties to competent developers. Strategic disposition targeting the hardest hit neighborhoods has started to give the hundreds of vacant properties throughout Lawrence the potential to be among of the city's greatest assets.

Methodology

In order to understand the City of Lawrence's real property disposition process, we interviewed a broad range of stakeholders involved in the process, from the Office of Planning to City Council to developers to abutting residents. We first met with our primary and ancillary clients: Office of Planning, Office of Development, Lawrence Community Works, Bread and Roses Housing, Inc, and Greater Lawrence Habitat for Humanity. We also met with current and former City Councilors, private developers, and members of the Real Property Task Force and neighborhood residents.

We culled information from the interviews to create a flowchart outlining the steps of the disposition process. Interviewees agreed that it was mostly accurate, and that it was useful to see the process clearly documented for the first time. Using feedback from the presentation of our preliminary findings, we corrected the flowchart to its current form.

Step-by-step documentation of the process revealed a general lack of common understanding about certain key points in the process. Given that the disposition process has been in transition due to strong efforts over the years to formalize the process, stakeholders may have conflicting yet equally accurate experiences in real property disposition. Our goal is to assist the Office of Planning and City Council as they formalize the process of real property disposition. Formalization of the disposition process should be preceded by efforts to make the process transparent, predictable, and efficient through documentation with timelines, public recordkeeping and provision of timely feedback to stakeholders.

In the following section, we draw from our interviews to describe the roles of the Office of Planning, Real Property Task Force and City Council, a detailed description of the disposition process and perceptions of the process. Finally, we end with a set of recommendations based on suggestions from the interviews as well as best practices, along with means of implementation.

The process and roles we are about to present are as described to us by interviewees. Based on personal experiences as well as perceptions, the interviews build a collective narrative of the disposition process that represents both the actual process and how participants would like the process to work.

Summary of Findings

Description of Roles

In Chapter 30b, Section 16 of the Massachusetts General Code the entity responsible for the disposition of City-owned vacant property via the RFP process is referred to simply as the “City body”. The Best Practices section of this report will show that many other cities in the state have interpreted this term so that a single City entity (often times the Planning Department) assumes all the responsibilities that the Massachusetts General Code assigns to the “City body”. In Lawrence, however, due in part to particular specifications found in the City’s Charter, the responsibilities have actually been divided amongst the City Council, the Real Property Task Force (RPTF) and the Office of Planning. The decision-making responsibilities that these three groups share fall into the following four categories:

- Declaration of surplus property
- Drafting and issuing of Request For Proposals
- Evaluating proposals and selecting the winner
- Negotiating terms of sale and monitoring outcomes

City Council

In the City Council, the first round of decision-making regarding vacant property disposition at each of the points listed below, occurs within the Housing Committee. Its members include Nilka Alvarez-Rodriguez (Chair, Representative at-large), Patrick Blanchette (President of City Council, Representative of District A), Nick Kolofoles (Representative of District D), and Jorge Gonzalez (Representative of District C). In every case, after a decision has been reached in the Housing Committee, it is brought up for discussion and a vote by the entire City Council.

The City Council’s responsibilities are focused primarily around the following three points in the property disposition process:

- *Declaration of surplus:* Upon receiving a select list of City-owned vacant properties from the RPTF, the City Council is responsible for deciding which of these properties (if not all of them) is declared surplus land, therefore making them eligible for disposition. When City Council declares a property as surplus, it also has the ability to make recommendations as to best use for that property.
- *Approving RFP:* Each time that a new batch of declared surplus properties is to be disposed of through an RFP process, the City Council has the responsibility to approve the inclusion of each property on that list. In addition, it is responsible for approving the language regarding special selection criteria and recommended best use found in each of the RFPs.
- *Approving winners of RFP process:* When the RPTF has finished reviewing all of the proposals for each of the RFP’s that were issued in a batch, it sends a list of the recommended “winners” for each RFP. The City Council then decides which of these recommended winners it will approve and which it will contest.

Real Property Task Force

The Real Property Task Force (RPTF) acts as a proxy for the Mayor of Lawrence and is composed of various representatives from City agencies that have access to information about vacant property in the city. Its members include:

- Planning Director – Mike Sweeney
- Land-use planner – Dan McCarthy
- Land acquisition specialist – April Lyskowsky
- City Attorney – Charlie Boddy
- Inspectional Services Commissioner – Caroline Ganley
- Economic Development Director – Tom Sciafone
- Director of Budget and Finance – John Griffin

All but one of these (the Land-Use Planner) are Mayor-appointed positions. The Land Use planner, however, is the primary coordinator and convener of the RPTF. Although the RPTF has no ultimate decision-making power, it is charged with making recommendations for action to the City Council and the Office of Planning, based on in-depth knowledge about vacant properties. The RPTF is responsible for making decisions at the following points in the disposition process:

- *Declaration of Surplus* – The RPTF is responsible for reviewing the list of City-owned vacant properties and making recommendations to the City Council about which ones should be declared surplus.
- *Drafting of the RFP* – The RPTF is responsible for providing input to the Office of Planning concerning recommendations for best use of each of the RFP's that the Office of Planning drafts.
- *Selecting "winning" proposals* – After the Office of Planning has collected all the proposals from one batch of RFP's, the RPTF is responsible for selecting one winning proposal per property. It then sends the winning proposal to the City Council for approval

Office of Planning

In addition to coordinating and convening the RPTF, the Land-use planner, working closely with the Land acquisition specialist, is responsible for collecting information about all of the properties currently in the process of being transferred to City ownership due to tax delinquency. When the City finally receives the full ownership title of a property, this information is added to a spreadsheet of all City-owned vacant property in Lawrence. This list is what the RPTF uses to make initial recommendations of properties to be declared surplus.

In addition, each time there is a new batch of properties disposed through the RFP process, the Land-use planner, with input from the rest of the RPTF, is responsible for drafting the RFPs for each property. Once drafted and approved by the City Council, the Land-use planner is responsible for issuing the RFPs and ensuring that the appropriate public notification takes place. After four weeks, the Land-use planner collects all the proposals turned in for each of the RFP's and prepares them for review by the RPTF.

Lastly, at the end of the process, once a developer has been selected for a particular property, the Land-use planner, working closely with the City Attorney's office, is responsible for negotiating the terms of sale for the property and monitoring whether or not the developer meets these terms.

Description of the Process

As described above there are four different points in the vacant property disposition process at which decisions are made by either the City Council or the Office of Planning. These decisions are made following receipt of recommendations of the RPTF. Below is a description of the various steps that correspond to each of these decision-making points. For a visual representation of this narrative, please refer to the diagram.

Declaration of surplus property

Once the City has received full title of ownership for a property as a result of tax delinquency (Step 0 in the diagram), the Office of Planning (OP) adds that property and any relevant information to an inventory of City-owned properties. At periodic intervals, OP contacts the heads of all the departments in the City with updates to this inventory of vacant property so that City departments have the opportunity to acquire a vacant property for public use. When a City department decides to acquire a property, control of the site is transferred to the respective department and does not first have to be declared surplus property. (Step 1 in the diagram)

Also at periodic intervals, OP convenes the Real Property Task Force (RPTF) to make recommendations about which vacant properties in the City's inventory should be declared surplus by the City Council. They also provide suggestions about the best use for each of these recommended properties. When the City Council receives this list, it is passed on to the Housing Committee, which discusses each of the properties and makes an initial decision about which ones should be declared surplus. The Housing Committee also makes recommendations concerning best use for each of these properties. Once the Committee's initial decisions are sent back to the entire City Council, there is further deliberation and a vote is taken in order to officially approve the declaration of properties as surplus and provide recommendations for their best use. (Step 2 in the diagram)

Drafting and Issuing the Request for Proposals

At periodic intervals, the Office of Planning prepares a list of properties that have been declared surplus by the City Council and for which the OP plans to issue RFPs for their disposal¹. Decisions concerning which surplus properties are proposed for disposal through an RFP process are made based on knowledge that OP receives from the following sources:

- Special knowledge about the property by a member of the Real Property Task Force, City Council or any other community member
- An official Letter of Interest from a person or entity interested in acquiring a particular property
- Knowledge of other vacant properties adjacent to or near the property—if possible, the City would prefer to wait until the City assumes full ownership of these properties in order to be able to dispose of them together, allowing for greater flexibility of land-use
- City-wide specific plans that specify prioritized uses for specific parcels of land (i.e. City of Lawrence 2004 Open Space Plan dictates that any vacant property along the Spicket River should reserved of green space)

While the above-mentioned sources inform the decision about the inclusion of some properties in the list to be disposed, others are included through a purely random selection of the properties that have been declared surplus.² Once the list of properties to be disposed in a particular round of RFP's has been finalized, this list is added to the Massachusetts State Central Register.

After entry of the list of properties in the Central Register, the Office of Planning is required to draft RFP for each property being disposed within 30 days. (Step 3) For the most part, RFPs are standard. All of them include the same set of minimum criteria which prospective acquirers must meet in order for their proposals to be considered, as well as an additional standard set of comparative criteria, which evaluators of the RFPs will use to judge which proposals are the best. The non-standard elements of an RFP include:

- A general description of the property
- A description of the recommended best use (as determined by the City Council, with input from the RPTF, at the time of declaration of surplus)
- Additional minimum criteria that proposals will have to meet in order to be considered
- Additional comparative criteria, by which winning proposals will be judged
- Other terms and conditions required by the City for the sale of the property

The amount a prospective applicant is willing to bid for the property is not considered part of the comparative criteria, since this is a separate consideration. At the time of evaluation of proposals, the Real Property Task Force and the City Council will determine whether they will select the highest bid price of all qualified proposals, or if they will utilize the comparative criteria to determine that another proposal is a better fit for the property being disposed.

¹ In some rare cases, a few properties valued at under \$25,000 have been disposed through a direct disposition process. However, since the overwhelming majority of City-owned vacant properties have been disposed of with an RFP, this report will only describe this process. Other cities, such as Haverhill, have disposed of properties through an auction, but this process has never been used in Lawrence.

² The most recent round of RFP's issued shows a sharp increase in the number properties to be disposed of at once (18 properties, as compared to the previous average of 7-10 properties). One of the main reasons for this increase is the OP's recent hiring of a dedicated staff member work on this process, the Land Acquisition Specialist.

After being approved by the City Council, RFPs are ready for official release by the Office of Planning. (Step 4) OP's standard RFP release and public notification procedure includes the following steps:

- Publish the addresses of the properties to be disposed in the local newspaper for 1 week
- Place a notice on public access television
- Post the addresses of properties on the City website
- Send letters to all abutters of the properties to be disposed
- When prospective applicants come in to OP's office to pick up an RFP, they are required to sign, so that the City can keep track of who is interested in which property

From the first day that RFPs are issued, prospective applicants have a four-week window within which they may turn in proposals before the application period is closed. This window may be extended by the OP for individual RFPs, and this usually occurs if they need to be amended after being issued. OP reserves the right to cancel the RFP at any point in the process (even after a winning proposal is selected) until there is a signed contract between the City and the new property owner.

Collecting and evaluating the proposals

After the application period has ended, the Office of Planning enters the name and bid price of each applicant for each RFP in the Central Register and convenes a meeting of the Real Property Task Force to review each of the proposals. At this meeting, it is first determined how many of the proposals meet the minimum criteria for each of the RFPs. Once this has been established, the RPTF determines whether or not it will recommend that the property be disposed to the qualified applicant with the highest bid price, or if they will use the comparative criteria to determine that another proposal provides a greater public benefit. If they decide the latter, the RPTF will evaluate the degree to which each qualified proposal meets the comparative criteria, using the following rating system:

- Highly Advantageous
- Advantageous
- Disadvantageous
- Highly disadvantageous

Once all the qualified proposals have been evaluated, the RPTF selects the best proposal for each of the RFPs that it will recommend to City Council. If there are no proposals for a particular RFP that meet the minimum criteria, or if none of the qualified proposals are judged to meet the comparative criteria to a sufficient degree, the RPTF will recommend that the particular RFP be cancelled. If the City Council agrees with this decision, the Office of Planning is then required to re-issue the RFP with the next round of properties being disposed.

The City Council receives the names and proposals of all the best applicants, as recommended by the RPTF and deliberate (first, in the Housing Committee and later in a general meeting of the City Council) to determine if they agree with the RPTF's recommendations. If they agree, the City Council instructs the Office of Planning to begin the process of negotiating with the winning applicant and to notify those whose proposals were denied. All winning applicants are recorded in the Central Register.

If the City Council does not agree with the RPTF's recommendations, it can decide to either:

- Request that the Office of Planning provide them with all of the proposals for each RFP, so that they may determine if another proposal is better; OR
- Cancel the RFP and ask that OP re-issue the RFP in the next round of vacant property disposals

Negotiating contract with selected applicant and monitoring outcomes

Once the City Council has made the final decision about the winning proposal for each RFP, the Office of Planning, working together with the City Attorney's office, begins to negotiate the terms of sale with the selected applicant. (Step 7) Once both parties have signed the contract, full ownership of the property is transferred to the applicant.

If the new owner desires to develop the property (often the terms and conditions of sale actually require that the property be developed within a certain period of time), he/she is required to present the building plans to the Zoning Board and the Historic Preservation Commission for review. If both of these bodies approve the plans, the developer can apply for a building permit from the Office of Inspectional Services. Once all of these steps have been completed, the City Attorney's office, in collaboration with the Office of Planning issues a Certificate of Compliance, to the new owner.

The Office of Planning is also responsible for doing a final compliance check for each property that was disposed by the City, once the construction on that property is completed. (Step 8)

Documents to be kept for public record

The following are documents that the Lawrence City Council or Office of Planning keeps for public record, in accordance with law:

- Declaration that property is available for disposition
- Copies of all Requests for Proposals (RFPs) issued for each property, including any amendments that are made
- Copies of all proposals received for each of the RFPs issued
- Copies of all materials used to evaluate proposals for each RFP, unless property is disbursed to highest bidder
- Signed purchase and sale agreement

Qualitative Analysis of the Process

Analysis of the interviews conducted by the Lawrence Practicum team reveals the following trends in the way that stakeholders view the property disposition process:

Real property disposition is improving

The disposition process has seen significant improvements, particularly in the last few years. For example, aggressive acquisition of vacant properties by the city attorney has created a large bank of city-owned properties, which has increased the number of properties declared surplus for disposal. The Office of Planning and City Council have disposed increasingly more properties—in the most recent round of RFP’s 18 properties are being disposed at once, while the previous maximum number of RFP’s issued at once was 11.

In addition, not only has the Office of Planning made great efforts to increase the volume of properties released in each round of RFP’s, there seems to be increased responsiveness to stakeholder concerns, which in turn encourages greater public participation. One example of this progress is the improved communication with bidders about the proposal evaluation process in the most recent round of RFP’s, which led to a large turnout at the public meeting where the proposals were first opened.

There is still disagreement about specific aspects the process

There is disagreement as to what an accurate description of the disposition process should entail and how the roles of decision-making bodies should be defined. This disagreement seems to also coincide with differences in opinion about the types of development that would be most beneficial to Lawrence. However, such a variety of perspectives is not entirely negative; in fact, it probably represents the range of interests found in the community at large. In addition, there is already general consensus among most people involved in the process about the dual function that the disposition of City-owned property should ultimately serve: 1) to reclaim vacant land to provide housing, open space and parking that will revitalize the physical landscape; and 2) to increase city revenue through the sale of properties and return of unclaimed properties to tax rolls.

In fact, a number of our interviewees praised the pluralist aspects of the disposition process as it currently exists, and mentioned that it could be improved simply through efforts to clarify of each step in the process and a to promote a general understanding of the responsibilities charged to those in decision-making roles.

Greater openness and clarification of selection criteria would improve RFP process

Interviewees have identified both members of the Office of Planning and the City Council as dedicated officials who truly care about Lawrence. However, interviewees have also revealed low levels of trust between the two decision-making bodies in the RFP evaluation process. Because evaluation criteria are so vague and flexible, instead of putting forth their best proposal for development, developers may resort to trying to sway decision-makers through influence. Both the Real Property Task Force and City Council are accused of “playing favorites” – a direct quote about both bodies from a number of interviewees. By keeping comparative criteria vague, the city is relinquishing its authority to determine redevelopment of its

own properties according to considerations of district and citywide needs, land use and potential for revenue in favor of special interest influence.

In addition, a number of interviewees including the RPTF, City Council and developers indicated the need for official timelines. The only set deadlines in the current disposition process concern the publication of RFPs and submission of development proposals. This is the only section of the process that seems to occur in a timely manner. Interviewees also suggested that lack of focus or capacity in the city prolongs the disposition process as well.

Greater coordination is needed between property disposition and zoning decisions

Stakeholders and decision-makers alike agreed that there is inadequate communication between the decision-making bodies of the disposition process – RPTF and City Council – and the zoning board, which must approve any special zoning variances. The legal requirement for residential construction is 10,000 sq. ft.; approximately half of disposed properties go to residential use, while the average size of an RFP'd lot is less than 5,000 sq. ft. Attendees at our final presentation noted that the current zoning code is outdated and inappropriate for most of Lawrence. While updating the zoning code is an undertaking that involves much more than real property disposition, overlay districts (like the one created for the Reviviendo/Gateway project) could be created for the Arlington/Park Street and Lower Tower Hill neighborhoods, where there is the most need and opportunity for new residential construction. Interviews with Lawrence CommunityWorks, the primary developer of disposed properties in North Common, indicated they did not experience the delays due to zoning requirements often experienced by developers who work primarily in the other two neighborhoods.

Everyone has the best interest of Lawrence in mind

At the end of the day, everyone from the Office of Planning to City Council to private and nonprofit developers want development of vacant properties to make Lawrence a better place for everyone. Each group may differ in their ideas of what makes Lawrence a better place, but that means that a variety of interests are represented. Increased transparency and efforts to promote public awareness about the disposition process can help ensure that all stakeholder groups are fairly represented and that powerful minorities do not dominate over larger groups.

Recommendations

Based on our own analysis of the current property disposition process, together with a summary of the analysis collected from implementers and users of the process, we have identified three recommendations to improve the process in the short-term. We are hopeful about the likelihood of their adoption into the property disposition process in Lawrence, and have in fact learned of several instances where people involved in the process have suggested similar ideas.

- **Increase Transparency:** Transparent decision-making builds trust and boosts the credibility of decisions made. Responsible public record-keeping and timely feedback for developers can help real property disposition shed its image as an opaque, politically charged process. A process that is considered fair and trustworthy can attract a broader range of capable developers.

- **Formalize the Process:** Participants disagree on the step-by-step process of property disposition. There also seems to be disagreement regarding the roles of the Office of Planning, City Council, and Real Property Task Force. For example, the decision about specific best use of a particular site appears to be deliberated three times by three different bodies at various different points along the process. By clarifying these roles, the City can make the property disposition process less contentious, improve public understanding, and increase its efficiency. The city should take steps to formalize this process and increase public and bidder awareness of the process.
- **Increase Efficiency:** Given that there are multiple decision-making bodies at each key decision-making point, timelines will help streamline what is commonly perceived as a long, cumbersome process. As decision-makers are willing to trade quantity of disposals for quality of development, clustering the disposed properties will (and has shown to) greatly increase the impact of redeveloped vacant lots through spillover effects.

Suggestions for Implementation

The following are suggestions for steps that the City of Lawrence could take to implement the three recommendations listed above. In addition, to accompany these suggestions we have identified several examples—from within the City of Lawrence as well as elsewhere in the United States—where these steps were implemented with successful results.

Building consensus

While the Lawrence Practicum has articulated the process and the definition of roles as accurately as possible, we recognize that there are likely some inaccuracies in this document. Therefore, the description of the process stated in this report should be used as a way to begin a conversation between the City Council, Office of Planning and the Real Property Task Force. The ultimate objective of this conversation would be to arrive at a consensus on the most accurate description of the process and roles of everyone involved, as they have currently been established.

Allan Mallach, in his book, “Bringing Buildings Back”³, underscores the importance of addressing divergent understandings of the roles and responsibilities of different implementers of municipal vacant property management systems, as a first step to streamlining these systems. According to Mallach, it is common for two or more agencies to take on what appears to be the same responsibilities due to lack of clarity about roles.

Formalizing process

Once there is general consensus on the accuracy of the description of the process, as well as the definition of roles and responsibilities, we recommend that the City take steps to formalize the process. Through our interviews, we identified that disagreement over standard procedures bog down the decision-making process and decrease the rate of property. Making the disposition process more official, either by incorporating

3 Mallach, Alan. 2006. *Bringing Buildings Back: From Abandoned Properties to Community Assets*. National Housing Initiative, pg. 118

specific language into the City Charter or through a City Council resolution, might improve its efficiency by reassuring stakeholders and insulating decision-makers from uninformed criticism.

The Lawrence Practicum team's suggestions for increased transparency of the disposition process are similar to ideas already expressed by several public officials in the City of Lawrence, including the Mayor, members of the City Council and the Planning Director. Thus, their implementation would involve merely an expansion of current efforts being taken by the City in this area.

Promoting greater public awareness

In addition to institutionalizing the disposition process through more official channels, as described above, the City of Lawrence might consider one or more of the following suggestions to achieve informal institutionalization through promoting greater public awareness:

- Publish several copies of the process diagram or narrative description and distribute them to key City agencies, neighborhood organizations and developers active in Lawrence
- Create a manual that can be sent out as a supplement to each Request for Proposals, with detailed instructions about the bid process
- Designate a single staff member to act as the liaison to developers, non-profits, commercial interests, and private citizens who would like to gain title to property through the disposition process

On this last point, we can learn from the experiences of the City of San Diego, California, which created a staff position, the Vacant Property Coordinator, specifically to perform such a function. In Lawrence, this position could merely be an expansion of the public liaison role of one or more staff members in the Office of Planning. The City of San Diego's Vacant Property Coordinator, working within the city's Neighborhood Code Compliance Department, acts as a liaison among various departments, agencies and property owners and has helped San Diego make great strides in creatively resolving vacant property challenges. For the past 10 years, the vacant property coordinator has been charged with a variety of responsibilities including: (1) identifying vacant properties throughout the city; (2) maintaining a list or database of properties; (3) administering the city's abatement ordinance to clean and secure vacant properties; (4) coordinating efforts among city departments (e.g., code compliance, police, and the city attorney's office); (5) communicating regularly with community groups, the real estate industry, and financial institutions; and (6) performing liaison tasks with the city's vacant property task force.⁴

Public understanding of the function of the city's vacant property disposition process might be extended to a greater public awareness of the broad impact of vacant and abandoned property on the community as a whole. The City of Cleveland sites building public awareness of the economic and social costs of vacant property as one of the four main steps in building a comprehensive, coordinated vacant property action plan. In the Cleveland context, the motivation for such action is to mobilize broad community support for the development of a strategic plan to address the city's vacant property situation.⁵ Such action need not serve an identical function in the City of Lawrence. However, community understanding concerning the

⁴ National Vacant Properties Campaign. (2005). *Strategies and Technical Tools*. <http://www.vacantproperties.org/strategies/tools.html>.

⁵ Mallach, Alan, Mueller, Lisa, and Joseph Schilling. (2005). *Cleveland at the Crossroads: Turning Abandonment into Opportunity*. Neighborhood Progress Inc.

social and economic dimensions of the vacant property situation in the City could lead not only to a simple agreement that steps should be taken to address the problem, but through discourse, could also serve to identify creative ways, appropriate to the community's social, economic, and political context to address the vacant property situation.

Expanding public record-keeping

Most people interviewed seemed to feel that the City of Lawrence has been doing a much better job of keeping public records of the disposition process than it had done in the past. The City could continue to expand upon these efforts, however, by relying more on its website to post items such as minutes of Real Property Task Force and City Council meetings, or copies of the most recent Requests for Proposals. These measures would not only reduce the degree of misunderstanding about how property disposition decisions are made, but it could even encourage a greater number of responsible developers to consider Lawrence as a place to work. Again, Allan Mallach offers examples of how increased transparency in property disposition processes, particularly in weak market cities without powerful competitive advantages, has been shown to attract the investments of responsible developers.⁶

The Inspector General's Procurement Manual includes a list of written documents that must be kept on file as required by Massachusetts State Law. These include:

- the declaration that property is available for disposition
- the RFP and any amendments to the RFP
- the public advertisement
- all *Central Register* notices
- all proposals received
- evaluation materials
- a copy of the disclosure of beneficial interests
- the signed purchase and sale agreement or lease

In particular, it is recommended that in cases where properties are not disposed to the highest bidder in an RFP process, a brief report be issued that outlines the municipal decision-making bodies' reasoning for choosing a different bidder. The purpose of writing this report and making it available publicly is to increase the feedback loop to applicants whose bids were not selected, so that they might know what to do differently in a future RFP process.⁷

Establishing timeline

An expanded timeline that includes deadlines for each decision-making step during the process would help both the Office of Planning and City Council, which have other duties, to make their deliberations in a timely manner. This is especially important for developers, whose long-range plans depend upon full information and are constrained by time. Keeping to a set timeline for each round of RFP's issued might also ensure that a greater number of RFP's are issued, which in turn addresses the recommendation for increased volume.

6 Mallach, 2006, pg. 104

7 Massachusetts State Law 30B: Part I, Title III, Chapter 30B: Section 16. Real property; disposition or acquisition

Clustering disposition in target neighborhoods

Another suggestion to help increase the impact of disposed properties is to cluster part of disposition within a small number of target neighborhoods. As presented in this report's discussion of property outcomes, there already seems to be some clustering of development in specific areas, namely the Park Street, Tower Hill, and North Common neighborhoods. The for-profit and non-profit developers active in each of these neighborhoods appear to be taking the lead in such targeted revitalization efforts. However, the City of Lawrence's Annual Action Plan for CDBG and Home Programs for Fiscal Year 2004-2005 seem to show that there is general agreement from local government that these are priority neighborhoods for revitalization.⁸

Best practice literature provides numerous examples of ways that targeted application of resources has proved to be a highly effective strategy in effecting positive social and economic change at both the neighborhood and citywide level.

As introduced on page 21 of this report, a program in Richmond, Virginia called Neighborhoods in Bloom provides a best practice example in which citizens play an active role in deciding how community development funds ought to be directed. The goals of this program are to 1) restore physical livability, and 2) improve neighborhood stability. In turn, achievement of these goals improves the environment for private investment. In order to determine which neighborhoods to target with development dollars, the City examined data on Richmond's 49 neighborhoods and classified them into four categories based upon such factors as concentration of abandoned buildings, crime rate, and poverty rate.⁹

Vacant property management initiatives in other regions of the country have also used data-based approaches in identification of clustered investment.¹⁰ The simplest typology cited in best practice literature is that of the Neighborhood Revitalization Program in Minneapolis, Minnesota to place its eighty-one neighborhoods into one of three categories:

- *Protection*
- *Revitalization*
- *Redirection*

At their most basic level, the typology used by Philadelphia and the four-level typology employed by Baltimore, Maryland use market-oriented characteristics similar to the three levels presented in the Minneapolis model. The Philadelphia Reinvestment Fund used cluster analysis to create a six-level

8 In 2004, the Office of Planning and the mayor-appointed Citizen's Advisory Council developed a comprehensive spending plan for physical, economic and social development called the Annual Action Plan, which targets investment in specific hard-hit neighborhoods – namely, Lower Tower Hill, Arlington, North Common and Springfield St./South Common. The Annual Action indicates neighborhood revitalization as a top priority, and identifies affordable housing and neighborhood stabilization as key needs. This Annual Action Plan was developed with community participation and also represented both the Mayoral administration and City Council. The goals and priorities of the Annual Action Plan can inform decisions on best use for disposed land, and strategic disposition of vacant land can be a key way of achieving the goals laid out by the Plan. **Source:** Lawrence Community Development Department. *City of Lawrence Annual Action Plan for CDBG and Home Programs for Fiscal Year 2004-2005*.

9 Local Initiatives Support Corporation, Virginia State Office. (2005). *The Ripple Effect: Economic Impacts of Targeted Community Investment*. Federal Reserve Bank of Richmond.

10 Mallach, 2006. Pgs. 233-234

typology which drew distinctions between neighborhoods based upon market characteristics. The typology developed by the Reinvestment Fund is as follows:

- Regional Choice
- High Value/Appreciating
- Steady
- Transitional
- Distressed
- Reclamation

The typology employed in Baltimore is as follows:

- Preservation
- Stabilization
- Reinvestment
- Redevelopment

Though most city initiatives aimed at addressing social and economic problems related to vacant property do so in the context of housing, best practice literature shows a number of cities that have developed programs to address vacant property specifically in downtown commercial cores.¹¹ Two such cities are Salinas, California and Newport News, Virginia.

Increasing disposition process efficiency

An important step of increasing the volume of properties disposed through the City of Lawrence's disposition process is for parties involved in the process to be open to identifying aspects of the process which do not facilitate swift disposition. One measure that the City might take is to compare the property disposition process as it currently functions in Lawrence to Massachusetts State Law 30B and determine whether or not all steps in the City's process are required under law. The City of Lawrence currently observes a one year right of redemption period that is not required under 30B. In this and other cases where the City's disposition process includes elements not required under law, city staff and the community should examine how additional steps came to be a part of the process and what function such steps currently serve in both the context of the disposition process and goals regarding the use of vacant and abandoned land in the City of Lawrence.

The Tucker Bill holds great potential for the City of Lawrence to decrease the time to disposition by up to 4 months. The Tucker Bill allows cities and towns in Massachusetts to forgive up to 75 percent of a property's outstanding taxes and all of the outstanding interest and penalties when the property is turned into low-and-moderate-income housing, and transferred to a new owner. Cities and towns that choose to adopt the program can also bypass the 90-day waiting period before foreclosing on tax-title properties, and a 30-day waiting period on abandoned property.¹²

Conclusion

11 Accordino, J. and G. T. Jonson, 2000. *Addressing the Vacant and Abandoned Property Problem*. Journal of Urban Affairs.

12 The Tucker Bill. An Act Returning Tax Title Properties to Productive Use (H.4726)

The preceding pages contained recommendations that the City of Lawrence's property disposition decision-makers can implement in the short term, with the aim of consolidating buy-in from all participants concerning the process as it currently exists. The next chapter contains recommendations for deeper changes that would help further streamline real property disposition as well as connect it with other ongoing neighborhood revitalization efforts in the city.

0 Massachusetts Chapter 30B
Real Property Disposition Process
Inspector General's Interpretations
and Recommended Practices

1 MIT Lawrence Practicum
November 15, 2006

2

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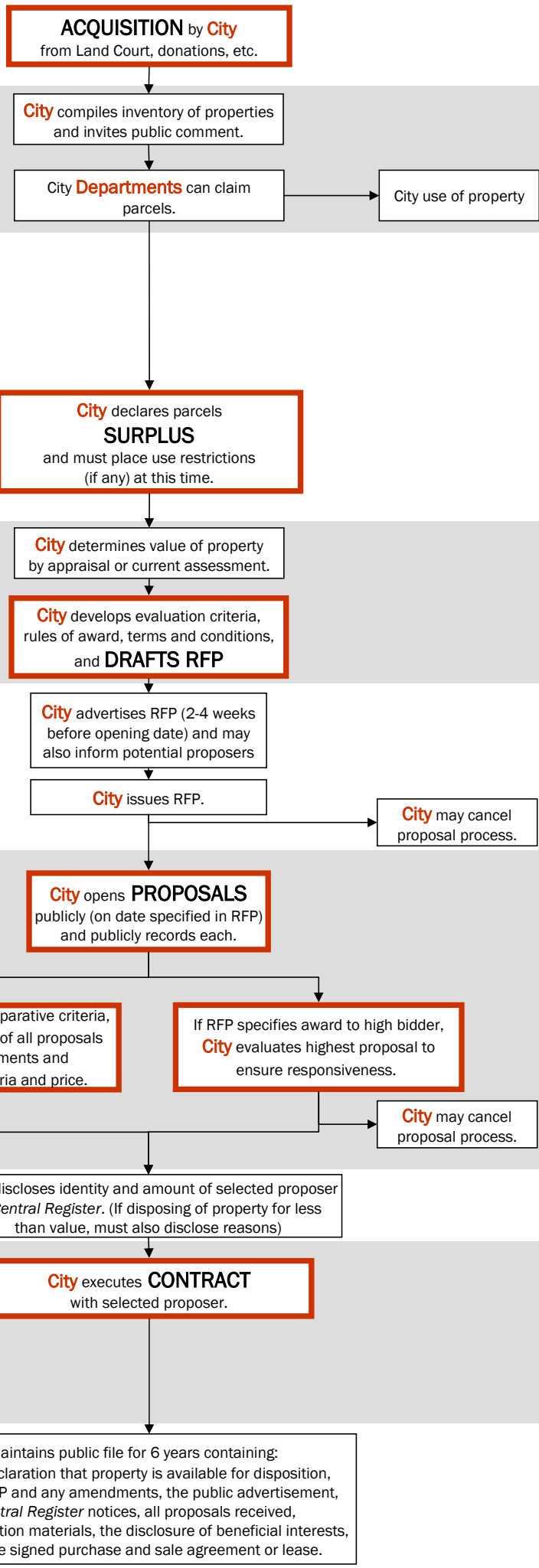
4

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City of Lawrence
Real Property Disposition Process

As described to
MIT Lawrence Practicum
November 15, 2006

Office of Planning
Director of Economic Development
City Attorney's Office
Inspection Services Department
City Assessor's Office
Budget and Finance Department

Auction (rarely)
Direct Disposition if < \$25,000 value

RPTF
DRAFTS RFP
City Council
APPROVES RFP

Office of Planning advertises RFP and may also inform potential proposers.
Office of Planning issues RFP (within 30 days of drafting?)

PROPOSALS received by Office of Planning (opened and recorded publicly?) RPTF reviews all proposals and recommends one proposal per property to City Council

If proposal rejected:
a) new RFP, or
b) asks RPTF for other proposals

City Council sends to City Council Housing Committee to review recommended proposal for each property and approve or reject.

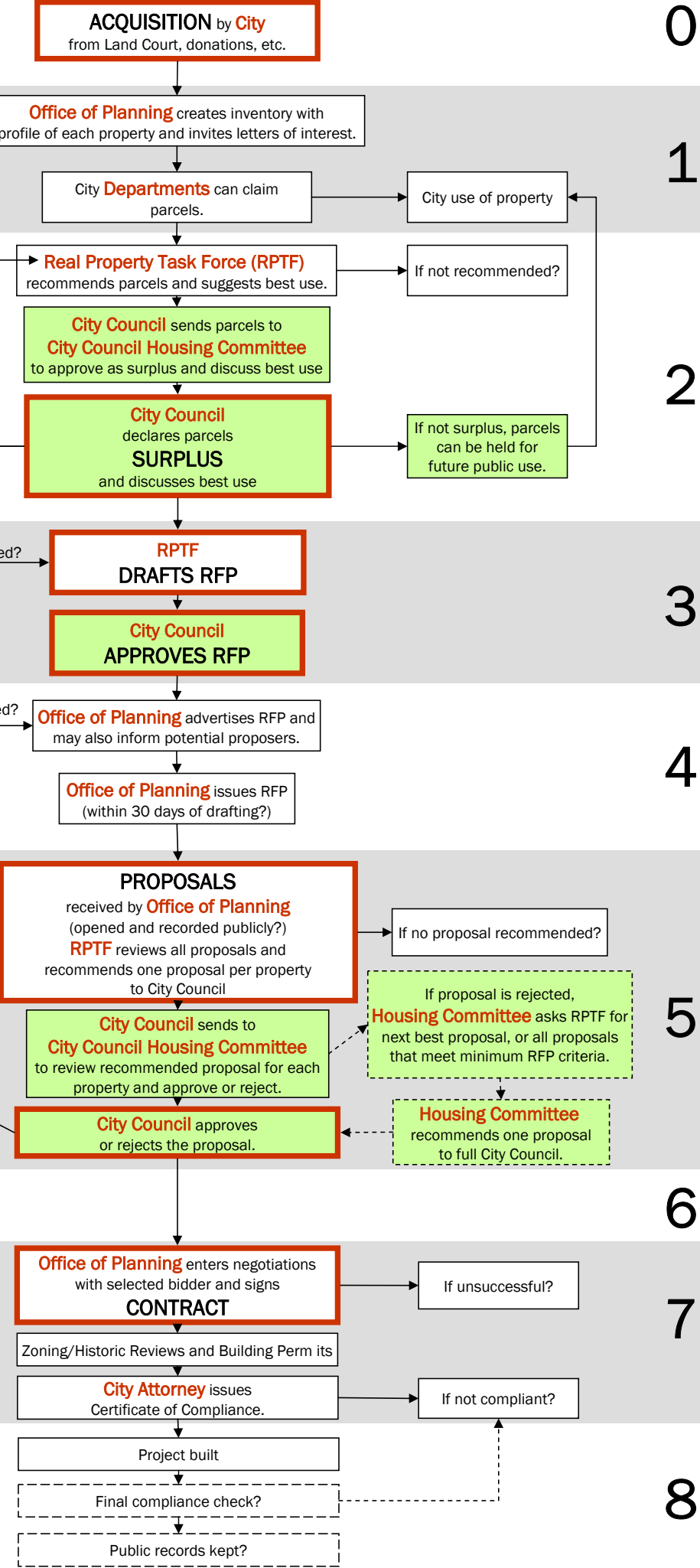
City Council approves or rejects the proposal.

Office of Planning enters negotiations with selected bidder and signs **CONTRACT**

If unsuccessful?

Zoning/Historic Reviews and Building Perm its
City Attorney issues Certificate of Compliance. → If not compliant?

Project built
Final compliance check?
Public records kept?



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NEXT STEPS FOR THE CITY OF LAWRENCE

The intent of the initial recommendations described above is to build a common understanding of the property disposition process among its many actors. Establishing clearer roles, expectations, and channels of communication will create greater trust and predictability, which are necessary first steps toward achieving the productive reuse of Lawrence's vacant properties. Once a greater degree of common understanding has been reached, the City might consider some of the following practices that have proved successful in other cities.

Formulate a strategic city-wide vision to use vacant property disposition as a tool for neighborhood planning and revitalization.

Currently, the disposition of vacant properties has begun to have a positive impact on three different neighborhoods. However, the city lacks a strategic plan that views vacant property disposition as a resource toward achieving specific policy outcomes. By first identifying areas to target vacant property disposition and, second, beginning a process of neighborhood planning in those areas, the disposition process could become much more effective at stimulating significant economic and physical improvements. The lack of a coherent strategy for disposing of vacant parcels in the city's neighborhoods was identified by most of the interviewees as a major deficiency in the current process, and a tremendous opportunity for building greater understanding, trust, and results.

Best Practice:

The **Providence, Rhode Island** Vacant Land Task Force has been described as a community-based planning effort. The Mayor convened (via executive order) members of the community, non-profit organizations, colleges, the Environmental Protection Agency, and city officials from a variety of departments. These stakeholders collaborated to study the problem of the city's vacant land and wrote a detailed report making a series of strategic recommendations. These measures resulted in a large increase in the disposition of the city's 4000 vacant lots.¹

Work to achieve more decisiveness and less redundancy in the disposition process.

As discussed in the Process section of this report, the disposition process allows for similar decisions to be made repeatedly and by numerous different actors. While some amount of checks and balances are essential to the process, creating clearer decisions at an early stage will improve both predictability and efficiency. More than just clarifying the roles of different participants, it is advisable to make firmer and more cooperative decisions at an earlier point. Some possible alterations to the process might include:

- As in Massachusetts Chapter 30b, a parcel's best use should be clearly defined at the surplus stage, rather than as the RFP is written.

¹ http://envstudies.brown.edu/thesis/2000/masters/abaptista/chapters/redevelopment_goals.htm and <http://www.epa.gov/Region1/eco/uep/provid/ppprogress.html>

- To the extent possible, City Council should recommend proposal evaluation criteria and work with the RPTF to craft RFPs. An open process should inform the drafting of RFPs and involve those who will perform the evaluation as well as the Council. This might reduce the need for Council approval of RFPs after they are written, and also reduce the need for prolonged Council deliberations after bids are opened.
- Evaluation of proposals should adhere more strictly to the criteria stated in the RFP, and deliberations as well as decisions should be recorded in print and made available to the public. The City should consider involving a broader array of evaluators for RFPs, including representatives of the affected neighborhood. This would increase transparency and trust, and perhaps reduce the need for the City Council to make difficult decisions at this stage.

Increase the prominence and accountability of the Real Property Task Force.

Lawrence already has an interdepartmental RPTF that coordinates the City’s approach to real property decision-making. However, the efforts of the Task Force at addressing the City’s vacant land situation could be more effective if:

- **...it operated as a more strategic and proactive body.** Currently, the RPTF seems to function in an administrative capacity, providing input and oversight at key stages of the property disposition process. The RPTF is uniquely positioned to act creatively on the issue of vacant property by targeting resources and inter-departmental activity to strategically-identified needs.
- **...its efforts were given higher priority by its individual departments.** Members should be present at all Task Force meetings. The Task Force should meet on a regular basis, perhaps with different members also serving on smaller working groups. The Task Force’s mission should be reinforced and clarified by the Mayor.
- **...it included representatives from all departments that play a role in the disposition process.** The membership of the Task Force should be reviewed to see if any other members, including the Community Development Department, should be included.
- **...its strategy and decision-making were better understood.** A record of Task Force decision-making should be made available to the public, including its evaluation of competing development proposals. Increased transparency will lead to increased participation in the development process. Criteria and procedures should be established to understand the performance of the RPTF over time.

Best Practice:

The city of **Pawtucket, Rhode Island** created an interdepartmental council that includes seven departments to coordinate their vacant and abandoned property efforts. The city created a full-time position to provide ongoing staff support to the council around this issue. The city credits their coordinated strategy, coupled with state law reforms that they were able to obtain, for a dramatic reduction in the number of abandoned properties in the city.²

² National Vacant Properties Campaign. “Cleveland at the Crossroads: Turning Abandonment into Opportunity.” 2005.

Create an ongoing and informal vacant property committee that brings together city government, community development corporations, developers, and others to act as a catalyst for change and track progress.

A review of the City of Cleveland's vacant property strategy in 2005 identified a critical need for a forum where those directly engaged with the vacant property issue could come together on a regular basis. By sharing information, building trust, providing support for institutional changes, and tracking progress in implementing changes, an informal body with broad representation could provide guidance and assistance to Lawrence's Real Property Task Force.

Best Practice:

A Vacant Property Steering Committee has met regularly in **Cleveland, Ohio** since spring of 2004. Within the committee, smaller working groups target specific priority areas that cut across city department lines. Members of each working group are made up of representatives of those organizations, public or private, with a role in implementing that particular activity, including implementation of a property information system, creation of a platform for state law reform in areas affecting vacant properties, addressing the epidemic of homeowner foreclosures, and developing a coordinated brownfields strategy.³

Improve availability and accessibility of education to public, City Council, Zoning Board, and others.

Once clear understandings are reached about the direction of the vacant property disposition program in addressing Lawrence's planning goals, an ongoing source of information should be made available to community groups, City Council members, Zoning Board members, and others. In addition to recommendations for improved data accessibility suggested earlier in this report and in the results of last year's Practicum, a source of continuing education around vacant property issues would be invaluable for maintaining common understanding. Partnerships with area schools or governments could provide valuable tools and information about the interrelationships between property disposition, zoning, and strategic planning that might reduce conflicts, redundancies, and misunderstandings in the vacant land development process.

3 Ibid.

NEXT STEPS FOR THE LAWRENCE PRACTICUM

City Visioning

One factor that came up in a number of interviews is that if the City has limited vision for its physical development, then strategic disposition of property becomes nearly impossible. While the City of Lawrence has begun to do some visioning, there is significant room for more discussion on the form new development should take. The City of Lawrence 2004 Open Space Plan provides an example of measures that the City and community partners have taken to link the process of property disposition and issues surrounding vacant land to long-term quality of life in the City of Lawrence. In a somewhat more abstract sense, the clustering phenomenon also represents an element of long range neighborhood level visioning. Next year's practicum might work with the City to create a visioning process. This project would also have the ability to examine the zoning laws in Lawrence, an area of significant concern among developers and city officials, alike.

Neighborhood Planning and In-depth Study of Clusters

Best practice literature cites targeted development, very similar to the clustering effect identified in the City of Lawrence, as an effective strategy in realizing positive social and economic outcomes through addressing vacant and abandoned property issues. As discussed in the property section of this report, the three clusters of development in Lawrence, located in the Park Street, Tower Hill, and North Common neighborhoods, formed over a specific span of time in the context of a particular demographic and physical reality. A natural follow up to the work started by the Lawrence-MIT partnership this semester is to evaluate the clusters that have already formed in order to quantitatively and qualitatively determine the impacts that this pattern of development has had at both the neighborhood level and in the community as a whole. This could be done through an oral history project or detailed study of the neighborhoods (not just of disposed property in the neighborhoods).

Connect Acquisition and Disposition

The work of this semester's practicum course focused on the disposition of property. The 2005 Lawrence Practicum touched on acquisition of property by the City through a comprehensive property database. Linking the acquisition and disposition processes through recommendations that address both together seems a logical next step. Taking a step back and looking at a broader picture of property acquisition and disposition would allow for a more comprehensive set of recommendations, the opportunity to continue to follow up directly on the recommendations from both practica, and perhaps look more toward the State's role in the process.

List of Disposed Properties in Lawrence

Compiled by MIT Practicum Fall 2006

Number	Street	Reason for Taking	Date Acquired	Grantee	Date Disposed	Price	Mapped?	Visited?	Map	Lot	Info from	Assessors Doc.	Developed/maintained?	Use	SF	Building permit issued	Date of inspection that showed completion	Grantee Type	Sales Price per square foot	Current Assessed Value	Number of owners after the city	Assessed Value per Square Foot	
25	Phillips St.	Vacant Lots	12/21/1994	25 Phillips Street Nominee Trust	8/9/2005	\$1.00	Yes				Attorney's Office	x	yes	single family house	4932	none	none	P	0.00	83500	1	16.93	
27-29	Trenton St.	Final Decree	11/4/1999	Arlington Community Trabajando		\$13,455.00	Yes	x			Attorney's Office		yes	2 family house	3520	none	none	N	3.82	10900		3.10	
4-10	Hall St.	Final Decree	11/2/1991	Bonie & John Parker	10/14/1997	\$5.00	Yes				Attorney's Office	????	yes	multifamily house		none	none	P		378000	2		
208-212	Park St.	Final Decree		Bread & Roses Housing	10/13/2002	\$1.00	Yes				Attorney's Office	x	yes	2 family house	4888	10/24/1998	12/11/1999	N	0.00	93800	1	19.19	
214	Park St.			Bread & Roses Housing	10/16/2002	\$1.00	Yes		171	137	Deed Search	With 208-212 Park St	yes	multifamily house				N		93800	1		
125-127	Park St.	Final Decree	8/18/1994	Bread & Roses Housing	11/7/2004	\$25,920.00	Yes	x			Attorney's Office	x	no	residential	6400	none	none	N	4.05	58100	2	9.08	
109-115	Park St.	Final Decree	1/16/1997	Bread & Roses Housing	1/20/2004	\$12,960.00	Yes	x			Attorney's Office	x	under construction	residential?	6244	2/8/2000	2/21/2001	N	2.08	189300	2	30.32	
319-323	Broadway	Final Decree	3/2/2000	Brian DePena	sale pending	\$2,000.00	Yes				Attorney's Office		no	informal, active parking	2640	none	none	P	0.76	14500	1	only land value	
5-6 (lots?)	Everett St.	Commissioner Affid		Carey, Chls & Elsie Charles Hope Companies, LLP		\$110.00	Yes				Attorney's Office	xx			?	?	?	P	?				
105-107	Park St.			City of Lawrence	9/28/1999	\$1.00	Weird?				Attorney's Office				?	?	?	G					
108-110	Park St.	Final Decree	1/16/1997	Daher Group, Inc	2/3/2004	\$45,000.00	Yes				Attorney's Office		yes	2 family house		?	?	P		332400	3		
28	Walnut St.	Final Decree	6/20/2000	Daher Group, Inc	5/10/2006	\$45,000.00	Yes	x			Attorney's Office	x	yes	2 family house	3200	none	none	P	14.06	16800	1	5.25	
225-227	Lawrence St.	Final Decree	5/17/2000	Daher Group, Inc	7/11/2006	\$32,500.00	Yes	x			Attorney's Office		yes	parking lot	2101	none	none	P	15.47	15000	1	7.14	
	Juniper & Basswood	Final Decree	3/17/2000	Daher Group, Inc	sale pending	\$65,000.00	Maybe incorrect			172	110	Attorney's Office	x	yes	parking lot	3802	none	none	P	17.10	17800	1	4.68
380-384	Lowell St.	Final Decree	9/15/1995	Daher Group, Inc	1/13/2004	\$25,000.00	Yes	x			Attorney's Office	x	yes	parking lot for church	2790	2/18/2000	2/24/2001	P	8.96	204500	3	73.30	
74-76	Greenwood St.	Vacant Lots	1/7/1994	Daher Group, Inc	2/3/2004	\$25,000.00	Yes	x			Attorney's Office	x	yes	single family home	2880	5/16/2000	2/24/2001	P	8.68	191000	3	66.32	
66-68	Salem St.	Vacant Lots	1/4/1994	Daher Group, Inc	11/18/2004	\$50,000.00	Yes				Attorney's Office	x	yes	single family house	6600	none	none	P	7.58	100100	3	15.17	
83-85	Saratoga St.	Final Decree	11/4/1999	Daher Group, Inc	7/11/2006	\$32,500.00	Yes	x			Attorney's Office	x			2782	none	none	P	11.68	14700	1	5.28	
3	Providence St.	Final Decree	5/18/2000	Daher Group, Inc	sale pending	\$0.00	Yes				Attorney's Office	x			9675	none	none	P		124600	1	12.88	
78-80	Butler St.	Final Decree		Dionisio Cruz	10/4/1999	\$10,500.00	Yes	x			Attorney's Office	x	yes (renovated)	day care	5000	10/13/1995	none	P	2.10	324900	2	64.98	
25-27	Melvin St.	Final Decree	1/16/1994	Doris Trudel	3/27/2001	\$2,000.00	Yes	x			Attorney's Office	x	yes	3 family home	1329	none	none	P	1.50	3900	1	2.93	
90 (near)	Doyle St.	Final Decree		Eduardo Brea	9/17/2001	\$100.00	Yes	x			Attorney's Office	x	yes	single family home	3540	none	none	P	0.03	86900	1	24.55	
6-8	Keighley	Final Decree	6/20/2000	Egidio Consoli	8/1/2005	\$500.00	Yes	x			Attorney's Office	x	yes (maintained)	open space/grass	3370	none	none	P	0.15	10600	1	3.15	
	Lowell & Warren	Final Decree	5/30/1996	Evangelica Hispana Iglesia (Spanish Evangelical Church)	5/20/2003	\$20,000.00	Yes	x	187	8	Attorney's Office	x	yes	parking lot for church	4921	none after disposal	none	C	4.06	98400	1	20.00	
414-418	Lowell St.	Final Decree	2/12/1998	Evangelica Hispana Iglesia (Spanish Evangelical Church)	1/31/2005	\$19,300.00	Yes	x			Attorney's Office	x	yes	single family home	3298	none after disposal	none	C	5.85	85000	1	25.77	
139	Water St.	Donation	10/18/1996	Francisca Munoz	12/26/2001	\$42,500.00	Yes	x			Attorney's Office	x	no	vacant lot	2520	none	none	P	16.87	142400	3	56.51	
19	Gale St.	Final Decree	8/24/1995	Greater Lawrence Habitat for Humanity	1/21/2004	\$11,500.00	Yes	x	187	101A	Attorney's Office		under construction	2 family house	3500	6/15/2000	50% complete (02/25/2005)	N	3.29	138300	2	39.51	

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	Bevel and Lynch St.	Vacant Lots	3/10/1994	Greater Lawrence Habitat for Humanity	10/14/2002	\$1.00	yes	x			Attorney's Office	yes	single family home	10538	2/13/1999	none	N	0.00	141300	2	only land value	13.41	
	Gale St.	Final Decree	2/26/1994	Greater Lawrence Habitat for Humanity	1/21/2004	\$14,000.00	Yes	x	187	57B	Attorney's Office	yes	single family home	4058	none after disposal	none	N	3.45	11900	1	only land value	2.93	
24	Champlain Ave			Habitat for Humanity	4/4/2000	\$1.00	Yes	x	188	54	Deed Search	x	no	vacant lot	3475	none	none	N	0.00	10800	1		3.11
10	Amesbury St.	Final Decree	7/29/2001	HP Realty Trust, James Piemon	10/31/2004	\$30,030.00	Yes				Attorney's Office	x	yes	parking lot	4763	none	none	P	6.30	91800	1		19.27
17	Cyr Drive	Final Decree		Joanne Petzy	5/25/1998	\$750.00	Yes				Attorney's Office	x	yes	2 family house	23916	8/10/1999	3/3/2000	P	0.03	297300			12.43
356	Broadway	Final Decree	10/21/1992	Jose D. Slazar	4/8/1998	\$50,000.00	Yes				Attorney's Office	x	yes	commercial	5100	6/30/1995	1/13/1998	P	9.80	464700	1		91.12
20 (rear)	Doyle St.	Final Decree		Konstantinos Michalopoulos	9/24/2001	\$1,500.00	Yes	x	183	19?	Attorney's Office	?	yes	single family home	8590	none	none	P	0.17	18500	2		2.15
136	Water St.			Lawrence Boys and Girls Club, Inc.	7/31/2006	\$1.00	Yes	x	163	43	Deed Search	x	under construction	school (?)	138521	none	none	N	0.00	1221100	1		8.82
101-103	Haverhill St.	Final Decree	4/3/1998	Lawrence CommunityWorks	12/11/2002	\$1.00	Yes	x			Attorney's Office	?	yes (renovated)	1/2 of 4 family house?	2135	10/15/1998	12/8/2000	N	0.00	198900	2		93.16
68-70	Union St./Summ	Vacant Lots	3/10/1994	Lawrence CommunityWorks	3/27/2001	\$1,001.00	Yes	x	87	65	Attorney's Office	x	yes	2 family house	5152	7/12/1997	1/22/1999	N	0.19	363000	2		70.46
112-120A	Union St.	Final Decree	5/10/1983	Lawrence CommunityWorks	8/26/2002	\$250.00	Yes	x	88	25,26	Attorney's Office	x	no	commercial	3546	none	none	N	0.07	81800	1		23.07
166-168	Newbury St.	Final Decree	8/30/1996	Lawrence CommunityWorks	3/9/2003	\$100.00	Yes	x			Attorney's Office		under construction	community center	13863	10/01/2003 (demo)	8/25/2000	N	0.01	143200	1		10.33
134-136	Union St.	Final Decree	7/9/1998	Lawrence CommunityWorks	10/23/2005	\$500.00	Yes	x			Attorney's Office	x	no	community garden	3500	none	none	N	0.14	86600	1		24.74
122-124	Union St.	Final Decree	3/11/1987	Lawrence CommunityWorks	8/21/2002	\$250.00	Yes	x			Attorney's Office	x	yes	residential	2972	none	none	N	0.08	74800	1		25.17
12-22	Summer St.	Final Decree	10/31/1996	Lawrence CommunityWorks	5/21/2001	\$1,001.00	Yes	x			Attorney's Office	x	yes	residential (multifamily)	6138	7/12/1997	12/13/2000	N	0.16	40700	2		6.63
127-131	Newbury St.	Final Decree	8/27/1999	Lawrence CommunityWorks	10/23/2005	\$500.00	Yes	x			Attorney's Office	x	no	vacant used for informal parking (inactive and active)	3255	none	none	N	0.15	15400	1		4.73
125	Bailey St.	Vacant Lots	9/21/1993	Lawrence Family Development	3/28/2001	\$1.00	Yes				Attorney's Office	x	yes	single family house	5600	2/14/1997	11/22/2000	N	0.00	234700	2		41.91
21-23	Bromfield St.	Vacant Lots	2/23/1994	Lawrence Youth Commission	12/10/2002	\$1.00	Yes	x			Attorney's Office	x	under construction	single family home	4548	11/3/1999	75% complete	N	0.00	233700	1		51.39
410	Hampshire St.	Final Decree	12/27/1994	Lazarus House	3/27/2001	\$1.00	Yes	x			Attorney's Office		yes	parking for abutters park and parking lot for abutters	2800	none	none	N	0.00	80900	1		28.89
37-37B	Berkeley St.	Final Decree	6/30/1995	LPNDC	6/30/1999	\$1.00	Yes	x			Attorney's Office		yes	parking for abutters	19166	none	none	N	0.00	155500	1		8.11
36	Summer St.	Final Decree	9/12/1991	LPNDC	11/4/1999	\$1.00	Yes	x			Attorney's Office	x	yes	residential	7626	11/1/1996	3/16/2000	N	0.00	436800	2		57.28
5-7	Elizabeth St.	Vacant Lots	2/10/1994	Magdaleno Dipre	3/27/2001	\$700.00	Yes	x			Attorney's Office	x	yes	parking for abutters	2052	none	none	P	0.34	70300	2		34.26
124	Cross St.	Final Decree	6/9/1998	Marco Polo Rodriguez	8/1/2005	\$30,000.00	Yes				Attorney's Office	x	under construction	residential(?)	3028	8/18/2001	none	P	9.91	149300	1		49.31
473	Hampshire St.	Final Decree	2/26/1994	Maria Rodriguez	3/27/2001	\$10,000.00	Yes	x			Attorney's Office	x	no	2 family house	3200	12/19/1997	2/13/1999	P	3.13	176600	1		55.19
39	S. Canal St.	Final Decree	7/16/1992	Merrimac Paper	10/23/2000	\$9,775.67	Yes				Attorney's Office	x	no	vacant lot	110207	none	none	P	0.09	244500	1		2.22
387	Water St.	Final Decree	9/10/1998	Michael Berube and Christophe	10/31/2004	\$10,000.00	Yes	x			Attorney's Office	x	yes (renovated)	industrial	8723	11/8/2000	2/17/2001	P	1.15	145400	1		16.67
	Tobey St.	Final Decree	6/9/1998	Monica Stoica & Douglas Rolnia	7/24/2005	\$30,000.00	Yes		112	51	Attorney's Office	x	no	vacant lot	3000	none	none	P	10.00	9000	1		3.00
24-34	Fulton St.	Final Decree		Nestor cruz & Miguel Cruz	3/26/1991	\$2,500.00	Yes				Attorney's Office		yes	2 family house		1/27/1999	2/27/2000	P		317800		only land value	
5	Florence St.	Vacant Lots	2/23/1994	Nestor DeJesus	12/29/2002	\$3,000.00	Yes				Attorney's Office	x	no	vacant lot	2250	none	none	P	1.33	76300	1		33.91
13	Elm St.	Vacant Lots		Ofelia Munoz	8/6/2001	\$500.00	Yes	x			Attorney's Office	x	yes	parking for abutters	2800	none	none	P	0.18	10500	1		3.75
179-181	Newbury	Vacant Lots	3/1/1994	Olga Silvera	8/30/2006	\$1,000.00	Yes	x			Attorney's Office	x	partially maintained	backyard for abutters	1800	none	none	P	0.56	72600	1		40.33
125	Margin St.	Final Decree		Pare, Herve		\$0.00	Yes	x			Attorney's Office	x	yes	2 family home	5921	7/31/1985	none	P	0.00	262900			44.40
	Trinity & Currier	Final Decree	3/3/1993	Rocky Club	1/14/1999	\$500.00	Mayb e incorr ect	x	129	46,47	Attorney's Office	xx	yes	commercial	3705	none	none	P	0.13	102400	1		27.64

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188	Lawrence St.	Final Decree		Sam Catalano	9/29/1987	\$11,000.00	Yes	x		Attorney's Office	x	yes	2 family house	2463	none	none	P	4.47	4600	2		1.87
89	Bradford St.	Final Decree	3/25/2000	Ursula Narkus and Enida Narkus	1/31/2006	\$1,000.00	Yes			Attorney's Office	x	yes	community garden	3305	none after disposal	none	P	0.30	10500	1	only land value	3.18
48	Greenwood St.	Final Decree	8/18/1995	William DePippo	11/21/2005	\$30,000.00	Yes	x		Attorney's Office		yes	single family home	4000	none	none	P	7.50	90800	1		22.70