

## **Gentrification Case Study: Richmond Land Bank**

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### **Abstract**

The Richmond Land Bank was formed in 2018 through a City ordinance that designated the Maggie Walker Community Land Trust as the land bank for the City of Richmond. Through stakeholder engagement, the goal of the Richmond Land Bank was set to “acquire, maintain, and return vacant and blighted property to productive uses.”

These efforts recognize the history of colonization, slavery, segregation, urban renewal, disinvestment that have shaped Richmond and have prevented Black communities from land ownership, homeownership, and wealth building (History, RLB). The Richmond Land Bank provides an alternative conduit for the disposition of these tax delinquent properties. Specifically, the land bank’s Citizens’ Advisory Panel (CAP) is set up to be the primary entity responsible for decisions on property use and disposition, establishing a community-driven process for the transformation of delinquent and vacant properties (Maggie Walker Community Land Trust).

Keywords: land bank, community-driven, community benefit, affordable housing

### **History and Mission**

The Richmond Land Bank, situated in Richmond, Virginia, has been in operation since 2018. It was established by the Richmond City Council through the adoption of an ordinance that designated Maggie Walker Community Land Trust (MWCLT) as the land bank for the City of Richmond. This was made possible by the Land Bank Entities Act that the state of Virginia passed two years earlier in 2016. The MWCLT Richmond Land Bank seeks to provide “a strategic, streamlined, and transparent method for repurposing vacant and tax delinquent property into assets that address community needs and desires” (About, RLB). Upon its designation the Maggie Walker Community Land Trust became the first of its kind in the nation for being a land trust designated as a land bank. Though their missions are different, the missions of land trusts and banks are unique, land banks and land trusts complement one another given that they seek to accelerate “equitable development and stewardship of land throughout communities” (About, RLB).

The Richmond Land Bank’s efforts acknowledge Richmond’s history of colonization, slavery, segregation, urban renewal, disinvestment that have shaped Richmond and have prevented Black communities from land ownership, homeownership, and wealth building (History, RLB). They also set out to meet the times of intersecting real estate boom and housing supply shortage in addition to redress the inequitable investment that is spurring rapid gentrification (History, RLB). They do this by establishing an alternative to existing avenues for developing the 7,000 City’s tax delinquent properties (which is about 10% of the city’s parcels). As it stands, most tax delinquent properties are sold through the City-run auctions, generating

revenue for the City but not benefiting the community (Maggie Walker Community Land Trust). The Richmond Land Bank provides an alternative conduit for the disposition of these tax delinquent properties.

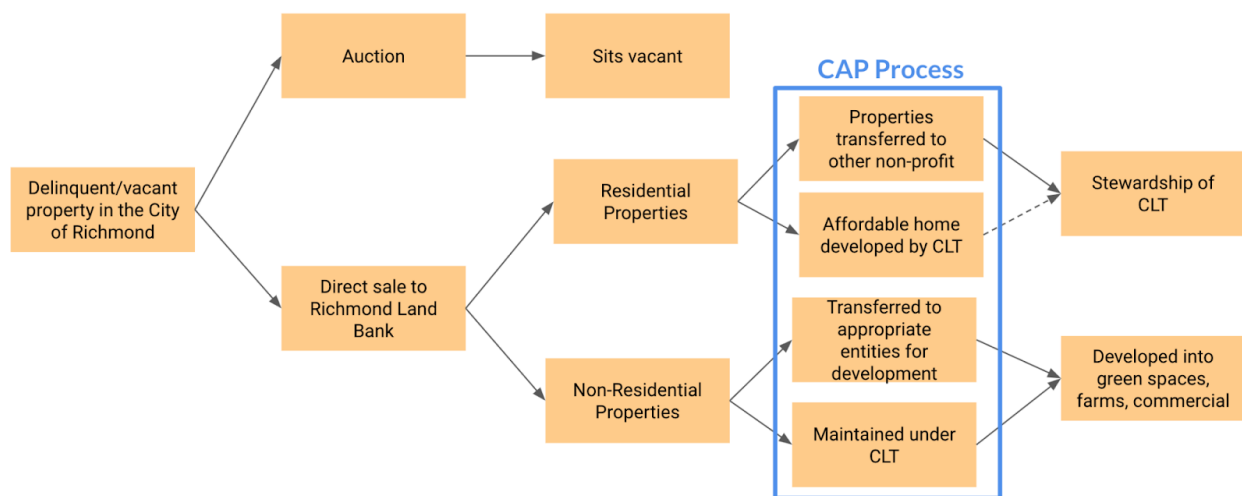
Figure 1. Timeline of key events for the Richmond Land Bank, compiled from various sources of the RLB.



## Programs

The land bank obtains these vacant and tax delinquent through direct sale at an approximate price range of \$2,000 to \$3,000 each. Each property is reviewed by the Citizens Advisory Panel (CAP) to determine the type of development that property will have and who it will be developed by (Maggie Walker Community Land Trust). Many of these properties, particularly those that ultimately have affordable housing developed on them, and transferred to the stewardship of the land trust to preserve affordability in perpetuity. The CAP is made up by 9 members appointed by the Chief Administrative Office, Mayor, City Council, and the Maggie Walker CLT (Maggie Walker Community Land Trust).

Figure 2. Processes under which delinquent and vacant properties are sold by the City of Richmond, compiled from various sources of the RLB.

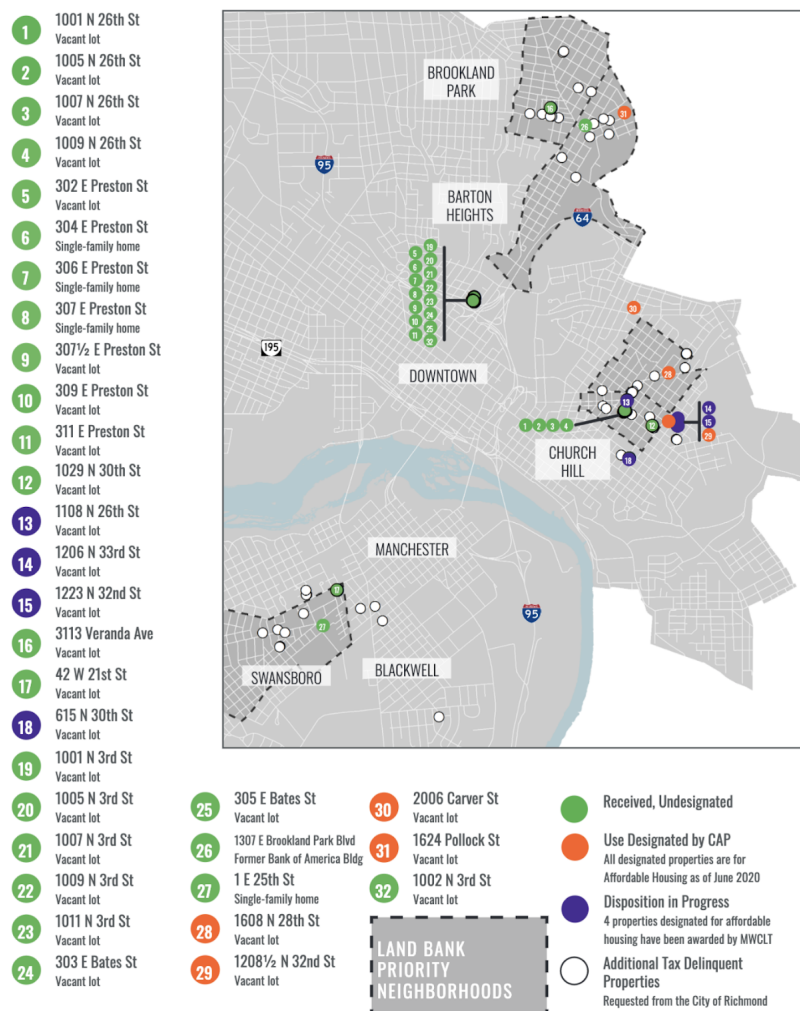


In September of 2018, the Richmond Land Bank published its first annual plan where it outlined objectives, framework for the first year of work, and prioritization methods and results for the work. The studies looked at data and maps of foreclosures, long-term tax delinquency, HOLC redlining, poverty levels, residential property values, urban heat island effect, and the threat of gentrification to arrive at 5 census tract priority areas within 3 neighborhoods, which together encompass a population of 15,306 (Maggie Walker Community Land Trust).

Their work expanded to encompass a former [Bank of America branch building](#) which was donated to the RLB in 2019 and in 2020 the land bank took on work in the [North Jackson Ward](#). For both of these, the RLB conducted engagement and published documents envisioning potential futures for these sites. Specifically, the North Jackson Ward became a priority because 15 of the first ~30 properties the RLB acquired were located within the Ward (Jackson Ward, RLB).

Figure 3. Map of the parcels acquired or requested by the RLB as of June 202, obtained from the RLB 2020-2021 Annual Plan (Maggie Walker Community Land Trust b):

FIGURE 02: Properties held and requested by the Richmond Land Bank, June 2020



## Financing and Resources

As explained prior, the RLB is the land bank for the City of Richmond and therefore, as outlined in their annual plan, the RLB works with the City Attorney's Office, the City's Finance Department and other relevant City entities "to lay out a consistent and standardized process for transferring tax delinquent properties" (Maggie Walker Community Land Trust). Revenue is created through the process of acquiring and transferring of these properties. First, the RLB acquires the tax delinquent properties for an approximate cost between \$2,000 to \$3,000 each (Maggie Walker Community Land Trust). After some maintenance and through the CAP process, the RLB then transfers these properties to nonprofits and community organizations at this same cost and an additional administrative fee to cover staff time and maintenance fees (Maggie Walker Community Land Trust). Sometimes, as with the Bank of America branch building, properties are donated to the RLB from individuals, nonprofit organizations, for-profit corporations, and other entities.

## Assessment

The RLB tracks and assesses their work based on three categories of benchmarks as depicted in Figure 4.

Figure 4. Benchmarks by which the Richmond Land Bank measures their work, directly extracted from the RLB 2018-2019 Annual Plan (Maggie Walker Community Land Trust).

Operational Benchmarks	Individual/Household Benchmarks	Neighborhood Benchmarks
<ol style="list-style-type: none"><li>1. Number of properties acquired.</li><li>2. Number of properties cleaned up and maintained.</li><li>3. Number of properties transferred out of the land bank.</li><li>4. Number of projects completed within timeframe of development agreements.</li><li>5. Number of properties held strategically in the land bank for interim uses.</li></ol>	<ol style="list-style-type: none"><li>1. Number of affordable homes sold or rented.</li><li>2. Household incomes of buyers and renters.</li><li>3. Demographics of buyers and renters.</li><li>4. Sales prices and monthly rents of homes.</li><li>5. Total long-term equity accrued by homeowners.</li><li>6. Number of jobs for neighborhood members created during repurposing of properties.</li></ol>	<ol style="list-style-type: none"><li>1. Designated uses of transferred properties and alignment with priorities.</li><li>2. Total number and area of green spaces created or preserved.</li><li>3. Total number and area of gardens created.</li><li>4. Total number of parcels returning to active commercial use.</li><li>5. Total short-term and long-term economic impact of repurposed properties.</li><li>6. Increase in property values, both of transferred and adjacent properties.</li><li>7. Number of historic structures and assets preserved.</li></ol>

In addition to these benchmarks, some of the observed strengths/weaknesses and opportunities/threats are described in detail below and summarized in the diagram below.

The unique position of the Richmond Land Bank as part of a community land trust seemed compelling in that it allowed for a direct transition between acquiring land and creating affordable housing. However, there are limitations of the extent to which CLT can fully and actively intervene when gentrification pressures are so great and CLT's shortcoming in substantively redressing racial economic divides.

The main weakness/threat I concluded from my research was that the Land Bank's work hinges on the City's willingness to collaborate and that its activities are set to align with

existing planning efforts of the City. This is worrisome given the context and sentiments that residents have expressed in conversations about Philadelphia and other cities and the literature on green gentrification machine. There are clear capital incentives for the work the City is doing. The reliance on each other is clear, land banks are acquiring the City's land, but to what extent are the City's goals determining what the land bank can accomplish. It would be worthwhile to explore what a land bank that is not beholden to the City looks like and how effective it could be. Would a City easily transfer properties at no/low cost to an independent land bank?

Lastly an opportunity that the land bank presents is that of scalability. Particularly, how possible is it for the land bank to scale up significantly enough to counteract/lessen gentrification in an area? Though the land bank has only been able to acquire approximately 30 property over the span of three years, we see examples from other areas where land banks have acquired hundreds of properties. The implications for addressing vacancy, affordability of housing, and creating economic opportunities (via employment and homeownership) would be significant.

Figure 5. SWOT analysis of the Richmond Land Bank's work.

#### Strengths

- Intentional planning
- Direct connection to CLT
- Establish a Community Engagement Plan for their work
- Creates opportunities beyond housing (ie. employment)

#### Weaknesses

- Does not highlight community experience (What is the lived experience of gentrification?)
- Land bank's activities are set to align with existing planning efforts of the City
- Not currently involved in policy advocacy

#### Opportunities

- Connection to other land banks
- Partnerships with housing, open space, and programing groups/developers
- Scalability

#### Threats

- 5 of 9 CAP members of elected by some division of the City
- Work hinges on the City's willingness to collaborate
- Limitations of CLTs in addressing rapid gentrification

### Lessons for West Philadelphia

There are direct and concrete lessons that can be taken from the Richmond Land Bank, particularly given the similar existing housing market conditions that make a land bank a timely intervention.

- Making histories of land ownership explicit
- Understanding and communicating current conditions of gentrification
- Drawing connections between historic disinvestment and ongoing climatic change
- Establishing transparent and direct process of shifting land control to the land bank
- Building community decision making power into the organization and process
- Conducting super localized and deeply rooted efforts

## References

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## Other Resources

[Richmond Land Bank Application information](#)

[Implementation Plan for the Maggie Walker Community Land Trust to Operate as a Land Bank](#)

[Bob Adams and Laura Lafayette: Richmond needs a land bank to fight blight](#)

[North Jackson Ward Vision Plan](#)

[Richmond 300: A Guide for Growth Draft Strategies for Public Comment Community Consultation #2](#)

[Community Land Trusts: Creating and Preserving Community Infrastructure in Urban Landscapes](#)

[City Builders](#)