

# Vacant Lots: A Case Study In Chapter 9: Issue Development

## Introduction

In the summer of 1976 Carlos Fuentes decided to buy the vacant lot next to his house. He had heard rumors that the City of Chicago owned it, and found out that the city would be willing to sell the lot to him for about \$2,000 if he could get the approval of his alderman and the City Council, and if no one outbid him. The process would take from one to two years. Mr. Fuentes felt that \$2,000 was a lot of money for a 25 x 125 foot lot covered with garbage, and the two year waiting period seemed unreasonable. He mentioned his quandary to a Northwest Community Organization (NCO) organizer who raised it at a staff meeting the same night. This prompted the NCO to look at the vacant lot situation in the area.\*

During a six year period from 1976-1982 the vacant lot issue was on the NCO agenda, even though it was not always the top priority. Remarkably, the problems and potential solutions identified in the early strategy sessions remained as a focus throughout the six years. The vacant lot issue focused on local control of development, the physical appearance of the neighborhood, and the ways buildings were abandoned and destroyed.

The NCO vacant lot story is a good illustration of the use of property research for action. At its best, it illustrates how good research can support organizing activities. At its worst, or perhaps most realistic, it illustrates the problems in coordinating research and organizing, or how research methodologies may conflict with organizing methods. The case study also looks at the question of who controls the research. Although almost all the research was done internally,

there was often a perceived split within the organization between "organizing" and "planning/researching" interests.

In addition to problems in coordinating research and organizing, researchers were plagued by many problems in data collection and analysis. Interestingly, many of these research problems became issues. For instance, research on city owned lots was hampered by the city's disorganized and secretive approach to its inventory. In response to this, easier access to the information became a community demand. The history of NCO's development of the vacant lot issue illustrates many common problems of property research and problems likely to occur when that research is done in a community organizing situation.

## Background

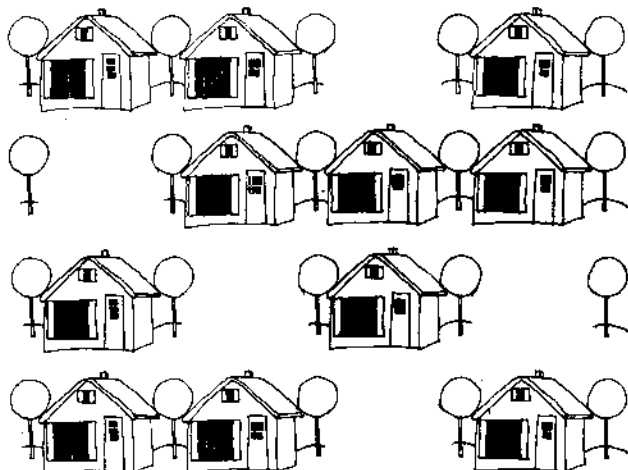
Following the initial decision to develop a comprehensive vacant lot strategy, NCO began to hold meetings on the problem in its various neighborhoods. The attendance at these meetings and interest in the issue was good and showed possibilities for a long term vacant lot campaign. At the meetings, residents forcefully voiced the sentiment that these lots were dangerous, unhealthy, ugly, and hindered the community's efforts at improvement. Community residents clearly felt that since both the city and private owners had held on to these lots for years without maintaining them or paying taxes, they had a responsibility to cooperate fully with the community strategy. The histories of individual lots were surprisingly similar. In most cases the owner had not lived in the former building (now a

\* The Northwest Community Organization (NCO), a multi-issue organization active for the last 20 years, serves the area of Chicago's northwest side bound by Fullerton on the north, the Kennedy Expressway on the east, Kinzie on the south, and Kimball on the west. The area's current

population are of low to moderate income and are about 60% Latino. They face the common problems of inner city neighborhoods: deteriorating housing, poor city services, high crime rate, arson, etc.

vacant lot) for many years but had collected rents as long as it was physically able to hold tenants. Eventually the building was abandoned and torn down by court order, or destroyed by suspicious fires. Afterwards the vacant lot remained, collecting garbage and unpaid taxes, and becoming a trouble spot for the neighborhood and the subject of countless neighborhood meetings. Afraid of displacement, many people were able to trace, through their previous addresses, a trail of "revitalization" and "displacement."

The focus at these early meetings, then, was on alleviating the physical menace of the vacant lots and preventing their potential role in future displacement projects. The answer to both these concerns seemed to be community control. At this point the vacant lot strategy began to crystalize into several issues: 1) Adjacent Neighbor Acquisition (allowing adjacent owners to buy lots easily and cheaply); 2) other uses and control mechanisms for vacant lots; and 3) tax delinquency and assessment.



Research for all of these sub-issues was primarily the responsibility of the Community 21 office, an NCO planning project for part of the NCO area. The first phase of the research concentrated on gathering complete information on the Community 21 area lots and on exploring in some depth two possible uses for vacant lots: Adjacent Neighbor Acquisition (ANA) and Neighborhood Land Bank (NLB). During this period the Bickerdike Redevelopment Corporation (BRC) did extensive vacant lot research, adding new

questions for the study to consider such as on current policies for disposing of city owned real estate and tax delinquent properties, and even suggesting how to reform these policies.\* This initial study was first presented in written form to the Community 21 and NCO boards in November of 1977.<sup>1</sup>

The second phase of the research was a joint effort between Community 21 and the Midwest Community Council and the University of Illinois at Chicago Circle.<sup>2</sup> This study, with complete title and tax searches of 377 vacant lots in the Community 21 area, included more detail than previous studies and highlighted the issue of tax delinquency in at least one NCO neighborhood. In the course of the study researchers gathered and computerized up to 115 items of information for each lot.

## Research Problems

In vacant lot studies the researcher encounters all the complexities of real estate research. In a sense, the property is at the end of one economic period of its life and the researcher must trace back through the varied events of that period to understand the current situation. The Cook County title recording practices do not make this an easy task.

## City Owned Land

One would expect it to be a fairly straightforward matter to trace city owned lots. This proved not to be the case in the NCO and BRC vacant lot research. For instance, on the Bickerdike single family new construction project:

*The first step in land assembly was to find all the city owned lots that had another vacant lot, either city owned or privately owned, next to them. The NCO staff assisted BRC by providing lists of these lots. (By this time most of the local civic organizations had met with the Department of Real Estate and had received a response to the one winnable demand—a list of all the city owned lots.) Unfortunately, these lists were not complete. Some NCO staff members who had done additional research while working on the vacant land issue found that some lots were*

\* Bickerdike Redevelopment Corporation (BRC), a local not-for-profit community controlled development corporation had provided the NCO area with its last residential new construction for low income residents in 1968-73. At that time BRC had constructed 65 new homes under the old

Federal Section 235 program which provided low interest mortgages to home purchasers. BRC has served the Westtown community with housing rehab projects, housing counseling, and job training for 13 years.

*missing from the lists. These lots had been shown to be city owned through tax or title searches but were not on the city's list. In addition, when BRC took these lists to the Department of Planning, they said that many of the lots on the list were not city owned because they were not on their lists.<sup>3</sup>*

In another example, an organizer attempting to contact neighborhood residents about the 1980 Tax Scavenger sale found that 18 out of 44 parcels listed for sale were city owned lots. Although the city had these lots recorded as city owned, the information had not been passed on to the County Clerk's or Treasurer's offices, which had them listed as tax delinquent and eligible for the Scavenger Sale.

There are some clues to look for in identifying city lots. Eventually City Hall does clear up all back taxes on its properties and notifies the County Clerk and Treasurer that they are now exempt. At this point they will show up on the tax rolls as "exempt," and "City of Chicago" may be listed as the taxpayer. Before this happens, though, a title search will give a good indication of city ownership or potential city ownership. Any title search that includes notice of a demolition lien is a clue that the property is owned by the city, or will be soon. Often, however, these liens and the deed transfer do not get recorded.

Demolition liens equalling the cost of demolition are placed on the property after the city is forced to take responsibility for demolishing the building. In the best of situations it takes about five years for the city to take title to a foreclosed property. Unfortunately, its method of foreclosing on these demo liens is haphazard. In many NCO areas, research uncovered liens dating back eight years or more.

Early research pointed out "slow foreclosure" as a potential organizing issue. NCO, however, was reluctant to push the city for faster foreclosure proceedings until it—the city—had a viable, neighborhood oriented program for disposing of the lots it did own.

### **Privately Owned Land**

Tracking down private owners of vacant lots offered its own complications: deed transfers that never got recorded; dead owners; owners living at a vacant lot; land trusts leading nowhere and tax sale and redemption confusion. The following example is only slightly extreme.

*In the list of properties eligible for the 1980 Scavenger Sale, one address listed was next*

*to the home of Ms. Hernandez. The organizer for the area had always assumed that this lot belonged Ms. Hernandez since the lot was fenced as part of her yard, and housed the most elaborate flower garden in the area. A visit to the woman disclosed that she too thought that she owned the lot. She had engaged an attorney ten years ago to purchase the lot and he had informed her that the deal had been completed. Since that time she thought that she had been paying the taxes for the lot along with the taxes for her house which she handled through an attorney. Research of the lot only confused things more. Mail sent to the address of the last taxpayer of record was returned.*

*The lot was particularly hard to title search. In the process of recording the subdivision of the area, a small subsection of five lots disappeared. This subsection included 1813 N. Talman. Various "experts" in the Recorder's office searched for the section and couldn't find it. This didn't seem to upset anyone particularly, nor did it prompt them to take further action. One day, while title searching a large number of lots in the area the organizer found the pages in the tract book that listed the transactions for the missing section. The pages were not indexed and were discovered quite by coincidence. Unfortunately, the section was included in the Torrens records. At this point, Ms. Hernandez and the organizer made a wise decision to purchase a title search from CT&T to make sure that Ms. Hernandez was not the legal owner and that no one else was likely to redeem the lot. Following that search which turned up an unknown owner, Ms. Hernandez did make a successful bid at the Scavenger Sale and has recently gained title to the lot.<sup>4</sup>*

If the community group actually wants to purchase a piece of property the research problems multiply. Again, the BRC new construction project:

*Tracking down the owners of a property is often a time consuming process; and this is especially true for vacant lots. Many of the new construction parcels had been vacant for over 10 years. Some owners had died and their heirs were not even aware that they*

owned the lot. Several lots had multiple owners and each owner had to be found and had to agree to the terms of the sale, at times to the point of deciding who got the extra penny. In some cases it is very difficult to determine which parties currently have an interest in the property. Straightening these interests out often involves extensive legal work, the costs of which are ultimately born by the buyer—directly or through an increase in the purchase price. BRC dealt with several owners who would have backed out of Option Contracts sooner than spend time and money clearing up title issues. Were it not for its pro bono legal assistance BRC would have been unable to obtain title to several key parcels.<sup>5</sup>

Prompted by research problems similar to these, the vacant land study group made the following recommendations for improving the quality of the tax and title data.<sup>6</sup>

1. Devise a uniform system for the identification of real property in Cook County.
2. Improve coordination among government offices in keeping tax and title records current.
3. Consolidate data through computer or microfiche storage so that the records can be kept in fewer and neighboring offices.
4. Replace the tract book system with one that presents title data for each property all in one place.
5. Assign one city office to keep a current inventory of city owned lots.
6. County Assessor's and Treasurer's offices should state explicitly why a property is exempt and the effective date of exemption.
7. Current assessment data should be made more accessible.

In spite of problems, research on vacant lots continued as an organizing strategy emerged. Organizing simultaneously occurred on each of the sub-issues identified in the early study (Adjacent Neighbor Acquisition, other uses for vacant lots, and tax delinquency and assessment). Organizing and research combined to produce varied results on each of these issues.

## Research and Intervention Adjacent Neighbor Acquisition (ANA)

The idea behind the Adjacent Neighbor Acquisition program is a fairly basic one—that community homeowners living next to city owned vacant lots ought to be given priority in purchasing them at a reasonable price. An ordinance was introduced for the program: adjacent owners' bids for property were to be given priority; the city had to publish information on vacant lots and notify adjacent neighbors; and land costs were to be reduced, if possible.<sup>7</sup>

The City Council sent the proposed ordinance to the Department of Planning for revisions. The first city change was to limit eligibility to 25 x 125 foot lots in residentially zoned districts. Further, corner lots and lots adjacent to other city owned lots were not eligible for the program.

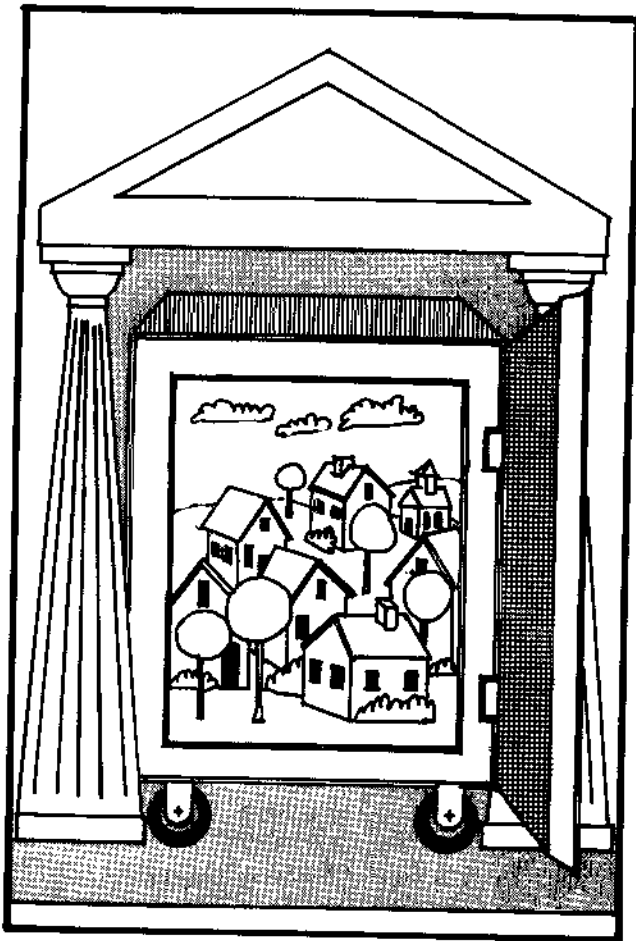
Finally, on March 6, 1981, 1½ years after it was first proposed, the revised ordinance was passed by the City Council. The first list of 293 lots, citywide, was not published until August 11, 1981. Bids on them were due on September 25, 1981. The sale itself was judged to be a success: out of 293 lots, 162 received bids and the city grossed over \$17,000. Ninety percent of the owner occupants of the homes adjacent to the lots for sale participated in the bidding. Nevertheless, more than two years has passed and the city has not announced a second sale.

## Other Uses for Vacant Lots New Construction

The construction of new homes has long been a high priority for the residents of Westtown, as it has been for the residents of many inner city neighborhoods. Bickerdike Redevelopment Corporation is currently undertaking two new construction projects which will result in 24 single family homes and several clusters of Section 8 rental units, for a total of 140 units. Both projects are being constructed on scattered sites. This "infill" approach causes some additional problems in construction but BRC feels that the benefits of avoiding demolition and displacement outweigh them. Community residents, as well as BRC board members, were involved in the process of selecting the sites. Land assembly was a major problem for the project since about 100 different sites with different owners had to be purchased to compile the land for the two projects.

BRC's problems in tracking down the owners of these sites were previewed in the NCO research and

were not unexpected. In addition to accomplishing the major goals of providing new housing for the area and proving that "infill" housing is feasible, the BRC project also helped to direct the vacant land research and to confirm the importance of the NCO issues.



### Neighborhood Land Bank

The possibility of establishing a Neighborhood Land Bank was suggested in the initial Community 21 vacant lot study<sup>6</sup> and remained of some interest to community residents throughout the development of the issue. The general purposes of an NLB are: acquisition, maintenance, and development of vacant land according to community established objectives. The land bank would be able to hold on to the land until it was needed for a community approved project. In this way the organizations could facilitate projects beneficial to residents and prevent harmful ones. The objectives of the project would suggest which lots would be chosen for purchase by the NLB. For example, to prevent outside development projects, a middle lot in a large block of land would be chosen. In the case of development of open space for

community uses a site on an active block would be chosen. Land assembly for new construction would proceed on a continuing basis.

Continued research and work by NCO on the vacant lot issue had firmly established the need for an NLB in several ways:

- Publicity about the Scavenger Sale in 1978 and the increase in the number of vacant lots offered in 1980 because of the switch from a ten year to a five year delinquency period resulted in a large increase in bidders at both those sales. Several neighborhood residents attending the 1980 Scavenger Sale to bid on lots next to their homes found themselves bidding against people who were in turn bidding on large numbers of lots scattered around the area.
- Throughout 1980 and 1981 Bickerdike had begun the process of acquiring options to buy the sites selected for the new construction project. This process was hampered by: problems in locating owners; establishing which lots were, or would be, city owned; and in some cases, by owners asking exorbitant prices.

In both these instances residents' instincts were confirmed; if they wanted to initiate and control development in their neighborhoods they first had to gain control of the vacant land. They were now faced with the fact that they had to gain control soon or lose the opportunity.

### Tax Delinquency and Assessment

The initial survey of the Community 21 lots conducted in 1977 indicated that action with regard to tax delinquency would be a major factor in using and controlling vacant land. As part of the first study, a Community 21 staff member had attended several tax sales. They were held in a remote room deep in the County Building. About eight professional buyers who knew each other and the county clerks on a first name basis attended the sale. The clerk stopped just short of asking for a secret password at the door. Needless to say, few if any community residents had participated in an Annual Tax or Scavenger Sale.

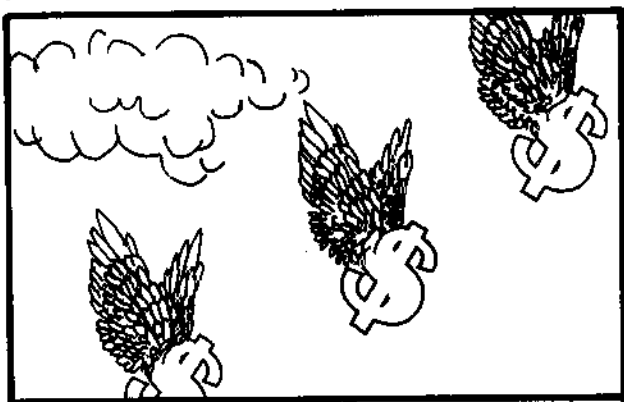
The obscurity of these sales was in part what prompted further research by NCO. In the course of the second study, researchers gathered and computerized up to 115 items of information for each lot. In order to make the information usable, the

following listings were produced.<sup>9</sup>

1. Street address (master list)
2. Permanent index number (master list)
3. Name of owner
4. Type of owner (city, trust, private individual, etc.)
5. Date of most recent title transfer
6. Assessment ratio
7. Lots with pending litigation or liens
8. Lots exempt from taxation
9. a. Lots with same owner's name and taxpayer's name  
b. Lots with different owner's and taxpayer's name.
10. Lots with taxes purchased at a Tax or Scavenger Sale, whether or not redeemed
11. Lots with taxes purchased at a Tax or Scavenger Sale within the past two years and still unredeemed
12. Lots missing all tax data
13. Lots missing all title data
14. Lots misclassified by the Assessor

The two master lists included all the data for each lot and all the other lists were cross referenced to these two.

The study illustrates, for the Community 21 area, the extent of the tax delinquency problem and begins to explore some of the interrelationships of vacant lot problems.



## Research in an Organizing Context

The vacant lot saga is filled with success stories: Ms.

Hernandez has her side lot; several homeowners have purchased lots through Adjacent Neighbor Acquisition; there have been reforms in the tax sale procedures making them more useful and accessible to community groups and neighborhood residents; and BRC has broken ground on its new construction projects. These successes did not come without much discussion and disagreement over strategy.

In the following section we concentrate on the ANA issue and the problems encountered in the course of fighting for ANA. We have chosen to concentrate on ANA because it is the one vacant lot sub-issue that entailed the most direct organizing. Remembering the successes these efforts produced we focus on problems encountered which are common to many community research projects. They fall into four categories: issue selection; timing; issue dependence on research; and allocation of resources.

### Issue Selection

What are the criteria that go into the decision as to which issues reach the organizational agenda? Is the issue winnable? Is the issue of concern to people in the community? Can the issue help build organizational strength? These are questions that affect the community organization and should be considered before much organizing or research time is spent on the issue.

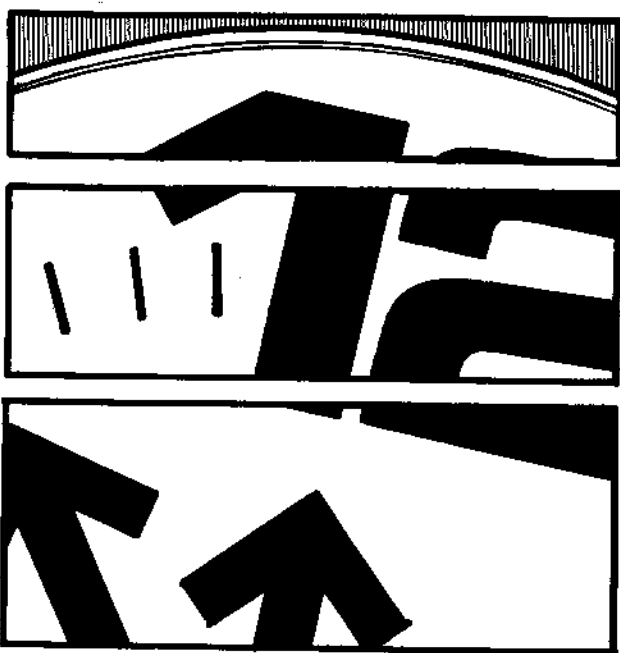
There are other questions, though, which are more specific to the individual issue. How complex is the issue? Is it likely to get bogged down in technical research? Will the issue take a long time to develop and reach a conclusion? If the answers are yes, the researcher and organizer will have to consider how this will affect the organization. There are times when a more "sophisticated" issue is appropriate; leaders have had enough of block club activity and feel they need to work on a strategy that they may develop over time. At other times, especially when the organization is young, short term issues with quick victories are needed. The researcher has to be aware of these needs or the research produced may be inappropriate and wasted.

### Timing

In organizing, one of the most crucial strategy decisions is that of timing. When is the proper time to hold the public meeting on arson? How much time should elapse between a leadership meeting and a public meeting? The challenge for the community

researcher is to produce effective research at the proper time. In the vacant lot issue we see "key" research appearing at different times: in ANA organizing led the research; in the case of tax delinquency, research came first and no specific organizing agenda emerged. The initial Neighborhood Land Bank research sat idle for four years until organizational experience led the leaders and troops to see the need and begin to push for it. Then new research was needed, and was produced.

So it is more than a question of which comes first. The success of the ANA issue suggests that organizing should lead research. The early, "unsolicited" research on NLB, however, may have been the spark that set the current program in motion. And, in spite of there being no organizing agenda behind the tax delinquency research, it did lead to some useful reforms in tax sale procedures.



### Issue Dependence on Research

With an issue as complex as ANA there is always the potential for negotiations to get bogged down. In this case the city officials used the common tactic of stalling the community organization at every point in the negotiations, citing a need to study the issues and proposals further. The community organization has to be careful not to let itself get trapped into a situation where it too becomes dependent on research to move the issue. When that happens, the issue tends to lose momentum: leaders get involved in other matters,

people begin to give up hope of accomplishing anything, and the support for the issue slowly dwindles away.

Another problem that arose during the ANA negotiations was that it became almost impossible to bring new people into the struggle. The negotiations had become so complicated and depended so much on what had occurred at earlier meetings that it was very hard for a new person to understand what was going on. Thus the issue became more technical and dependent on research support.

### Allocation of Resources

Although no one disputed that ANA and the vacant lot issue were important, organizers questioned whether the issue deserved the amount of staff time it received. The organizers felt that there were many other issues of equal or greater importance to the community and perhaps one of them would be more useful in building organizational strength.

One major problem with ANA as an issue was that it was difficult to generate any broad based support for it. ANA was a self-interest-directed fight. That wasn't bad in itself, but there weren't that many homeowners living next to city owned vacant lots. At about midpoint in the issue, NCO made a concerted effort to "drag out the troops" and produced a meeting of 50 people. Although this meeting revived interest in the issue for the short term, the question still remained whether this was enough to justify the amount of staff time needed to work it.

NCO was faced with a classic cost-benefit dilemma. Do you continue to throw money at a project to justify the money already invested? Or do you walk away from the project and consider the money you might have spent a savings? NCO's investment was the research that had already been done.

### Conclusions

In discussing the role of research in issue selection we hedged on a couple of questions. How did the research set the stage for ANA as a focal issue? The research study suggested it as a possible solution. Is it the researcher's fault that the organizers didn't anticipate the potential organizing problems? No, but it is the community researcher's job to present the research in a usable form, and to some extent this means becoming as adept at anticipating organizing problems as the organizers are. It is the responsibility of everyone involved in community organizing—leaders, organizers, researchers—to strategize carefully

on each issue so that the appropriate balance between research and action can be achieved. We want to reiterate one important maxim, however: Moving on issues means success in organizing. Organizing is hard enough when the enemy tries to slow down that motion. We should avoid doing so ourselves.