

Focus Group Discussion on Land Use Issues Detroit Community Development Corporation Leaders

Walter Reuther Library, Wayne State University Detroit

April 22, 2003

Summary

Prepared by Gary Sands, AICP

Urban Planning Program, Wayne State University

RECOMMENDATIONS

Major recommendations emerging from these discussions include:

Community-Based Development Organizations. Participants felt that efforts to promote revitalization and redevelopment of urban areas required the active participation of community-based organizations. Community Development Corporations (CDCs), acting as intermediary community-based development organizations, could provide an effective mechanism for facilitating development and leveling the playing field between central city redevelopment and metropolitan fringe development. Community-based development organizations (CBDOs) could be given responsibility and the necessary powers to facilitate reinvestment and redevelopment in specific geographic areas. This could include providing assistance for both residential and nonresidential investment, assistance to new and established businesses, as well as establishing and promoting the brand identity of the neighborhood.

Technical Assistance. State support for both local governments and CDCs on the use of available tools and resources should be increased. While effective tools exist, for example, for brownfield redevelopment, support must be provided to ensure their effective use. The state could also create a clearinghouse for “best practices” that would assist local organizations in their program development efforts.

Brownfield Redevelopment Programs. Brownfield cleanup and redevelopment money may not be well spent currently because it is limited to specific projects and the application of the funds lacks comprehensive vision. Zoning and ordinance enforcement needs to be improved. Greater care must be taken to prevent speculation in city properties, through land banks or other coordinated efforts.

Land Banks. Community-based development organizations should be given responsibility for managing and marketing inner city properties. The creation of land banks, which would be administered by the CDBOs, would facilitate the cleanup and marketing of these properties as greenfield sites that would be competitive with suburban properties.

Financing. In part, some form of tax increment financing or local improvement district could generate funding for these activities. The state might also incentivize these activities by providing an increase in revenue sharing for communities that support such

CBDOs. Incentives are needed to facilitate necessary utility relocation and improvements.

Transportation. Adopt DARTA or similar legislation to create an agency to provide efficient public transit throughout the southeast Michigan region. This would improve air quality and employment opportunities, as well as enhancing the image of the metropolitan area.

ISSUES AND BACKGROUND

The six participants in this focus group were executive or development directors of Detroit-based Community Development Corporations. Based on their experiences in neighborhood revitalization efforts, a number of concerns were raised. The lack of direct representation on the Council by CDCs was a major concern, since CDCs are the primary agents for redevelopment of central city neighborhoods.

Transportation of people and goods was viewed as important on a number of levels. The lack of adequate public transit was seen as a barrier to economic integration of urban areas. Expenditures on road improvements in suburban areas disadvantage central city neighborhoods. The state and county road agencies provide opportunity to address these issues on a regional basis but often do not. "Fix it first" was seen as an important policy guideline.

There are a number of barriers to the revitalization of older neighborhoods. Site assembly and control, including title issues, is critical to successful redevelopment. Local government bureaucracy contributes to delay and higher costs. A lack of enforcement of existing codes and ordinances was cited as a common problem.

The age and the condition of the existing infrastructure also contribute to the higher cost of redevelopment compared with suburban development. The existing infrastructure may need to be replaced or relocated to accommodate new development, often at a higher cost than simply providing new facilities. The current age and condition of the infrastructure results in higher maintenance costs as well as contributing to a less attractive environment.

Insurance costs are generally higher in central city neighborhoods. The higher rates for liability and casualty insurance add to the costs of living and doing business there. The cost of providing insurance for park and playground facilities is prohibitive.

Reliable public transportation is necessary to build economic diversity and opportunity. DARTA legislation was supported. The possibility of innovative solutions, such as franchising this service to the private sector, was suggested.

Racism was viewed as one of the primary issues inhibiting inner-city redevelopment. It was seen not only as restricting specific redevelopment efforts but also of making central city/suburban cooperation difficult. (Such cooperation could be achieved on specific issues, but was not seen as being easy to accomplish on a broad basis.)

A major concern was the lack of comprehensive vision for central city neighborhood revitalization. Too much emphasis is currently given to short-term, project-oriented

activities. There is a need to improve the image of neighborhoods to improve their marketability. Need for vision- or plan-based policies, rather than limiting to specific projects. Local governments should be encouraged to share responsibility for redevelopment with community-based organizations and to recognize the importance of maintenance and image.

Business and investment attraction is more important to central cities than attraction strategies.

For further information, contact:

Gary Sands, AICP
Urban Planning Program
Wayne State University
313-577-0543
gary.sands@wayne.edu