

Tactical Preservation Detroit, Michigan

July 29–August 3, 2018



Tactical Preservation Detroit, Michigan

Incremental Reuse of Vacant Buildings
to Spur Economic Growth

July 29–August 3, 2018

About the Urban Land Institute

THE URBAN LAND INSTITUTE is a global, member-driven organization comprising more than 42,000 real estate and urban development professionals dedicated to advancing the Institute's mission of providing leadership in the responsible use of land and in creating and sustaining thriving communities worldwide.

ULI's interdisciplinary membership represents all aspects of the industry, including developers, property owners, investors, architects, urban planners, public officials, real estate brokers, appraisers, attorneys, engineers, financiers, and academics. Established in 1936, the Institute has a presence in the Americas, Europe, and Asia Pacific regions, with members in 80 countries.

The extraordinary impact that ULI makes on land use decision making is based on its members' sharing expertise on

a variety of factors affecting the built environment, including urbanization, demographic and population changes, new economic drivers, technology advancements, and environmental concerns.

Peer-to-peer learning is achieved through the knowledge shared by members at thousands of convenings each year that reinforce ULI's position as a global authority on land use and real estate. In 2017 alone, more than 1,900 events were held in about 290 cities around the world.

Drawing on the work of its members, the Institute recognizes and shares best practices in urban design and development for the benefit of communities around the globe.

More information is available at uli.org. Follow ULI on Twitter, Facebook, LinkedIn, and Instagram.

Cover photos: Cali Slepina/ULI

© 2018 by the Urban Land Institute
2001 L Street, NW
Suite 200
Washington, DC 20036-4948

All rights reserved. Reproduction or use of the whole or any part of the contents of this publication without written permission of the copyright holder is prohibited.

About ULI Advisory Services

THE GOAL OF THE ULI ADVISORY SERVICES program is to bring the finest expertise in the real estate field to bear on complex land use planning and development projects, programs, and policies. Since 1947, this program has assembled more than 700 ULI-member teams to help sponsors find creative, practical solutions for issues such as downtown redevelopment, land management strategies, evaluation of development potential, growth management, community revitalization, brownfield redevelopment, military base reuse, provision of low-cost and affordable housing, and asset management strategies, among other matters. A wide variety of public, private, and nonprofit organizations have contracted for ULI's advisory services.

Each panel team is composed of highly qualified professionals who volunteer their time to ULI. They are chosen for their knowledge of the panel topic and are screened to ensure their objectivity. ULI's interdisciplinary panel teams provide a holistic look at development problems. A respected ULI member who has previous panel experience chairs each panel.

The agenda for a five-day panel assignment is intensive. It includes an in-depth briefing day composed of a tour of the site and meetings with sponsor representatives, a day of hour-long interviews of typically 50 to 100 key community representatives, and two days of formulating recommendations. Long nights of discussion precede the panel's conclusions. On the final day on site, the panel makes an oral presentation of its findings and conclusions to the sponsor. A written report is prepared and published.

Because the sponsoring entities are responsible for significant preparation before the panel's visit, including sending extensive briefing materials to each member and arranging for the panel to meet with key local community members and stakeholders in the project under consideration, participants in ULI's five-day panel assignments are

able to make accurate assessments of a sponsor's issues and to provide recommendations in a compressed amount of time.

A major strength of the program is ULI's unique ability to draw on the knowledge and expertise of its members, including land developers and owners, public officials, academics, representatives of financial institutions, and others. In fulfillment of the mission of the Urban Land Institute, this Advisory Services panel report is intended to provide objective advice that will promote the responsible use of land to enhance the environment.

ULI Program Staff

Paul Bernard
Executive Vice President, Advisory Services

Thomas W. Eittler
Senior Vice President, Advisory Services

Paul Angelone
Director, Advisory Services

Cali Slepín
Associate, Advisory Services

James A. Mulligan
Senior Editor

Laura Glassman, Publications Professionals LLC
Manuscript Editor

Brandon Weil
Art Director

Anne Morgan
Lead Graphic Designer

Deanna Pineda, Muse Advertising Design
Graphic Designer

Craig Chapman
Senior Director, Publishing Operations

Acknowledgments

ON BEHALF OF THE URBAN LAND INSTITUTE, the panel would like to thank the sponsors, the city of Detroit, the Michigan Historic Preservation Network, and DTE Energy Foundation for inviting the panel to Detroit to examine tactical preservation. In addition, Carolyn and Preston C. Butcher provided funds both supporting this panel and funding implementation of the recommendations.

A special thank you goes to Maurice Cox, Kimberly Driggins, and Jacqueline Taylor for their support and putting together the panel's briefing materials. In addition, the panel thanks the many other Detroit Planning and Development Department staff members who made the week a success.

Thank you to Beth Silverman, cofounder and vice president, operations, at the Lotus Campaign for helping secure this panel. The panel would not have been possible without her help and dedication to this project and finding a path for funding. Finally, the panel would like to thank the more than 90 residents, business and community leaders, and representatives from across Detroit who shared their perspectives, experiences, and insights with the panel over the week.

Contents

ULI Panel and Project Staff	6
Background and the Panel's Assignment	7
Vision and Guiding Principles.....	13
Inclusive Approaches to Development	17
Catalytic Tactical Preservation Projects	21
Stabilizing Iconic Neighborhood Structures	25
Implementing Tactical Preservation.....	31
Conclusion	35
About the Panel.....	36

ULI Panel and Project Staff

Panel Chair

Michael Stern
Principal
MAS Places
Jackson, Wyoming

Panel Members

Dionne Baux
Director of Urban Programs
National Main Street Center Inc.
Chicago, Illinois

Jean Carroon
Principal—Design, Preservation, and Sustainability
Goody Clancy
Boston, Massachusetts

Brian Coleman
Chief Executive Officer
Greenpoint Manufacturing and Design Center
Brooklyn, New York

Caroline Paff
Principal
VI Development LLC
Baltimore, Maryland

Karmi Palafox
Senior Adviser
Palafox Associates
Makati City, Philippines

Robert Peck
Principal
Gensler
Washington, D.C.

Adam Silverman
Member
Cozen O'Connor
Philadelphia, Pennsylvania

Ernst Valery
Managing Partner
SAA | EVI
Baltimore, Maryland

ULI Project Staff

Paul Angelone
Director, Advisory Services

Michaela Kadonoff
Associate, Meetings and Events

Cali Slepín
Associate, Advisory Services

Background and the Panel's Assignment

IN THE 10 YEARS BEFORE MAYOR DUGGAN was elected in 2013, Detroit lost 244,000 residents, or 26 percent of the city's total population. That population loss was not the start of the city's decline, however. The city's peak population was in the 1950s with about 1.5 million residents. Today, Detroit's population is approximately 677,000 residents. About 80 percent of Detroit's population is African American, compared with about 22 percent regionwide.

This population loss devastated the city's financial standing, hurt city services, and has left more than 78,000 vacant buildings and more than 17 square miles of publicly owned vacant land across the city's 139-square-mile footprint. During this same period, the regional population has continued to grow to about 4.3 million residents—making it the second-most-populous Midwestern metropolitan area. The city's drastic population loss, with other financial

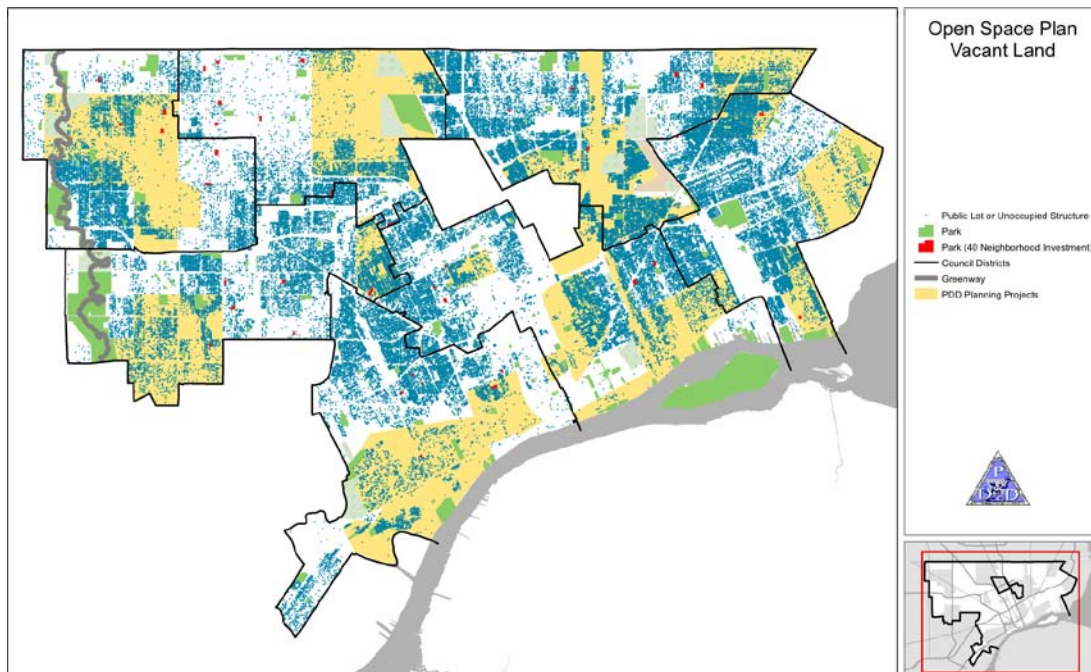


CALL SLEPNIOW

The Vanity Ballroom on East Jefferson Avenue has fallen into disrepair. With more than 78,000 vacant buildings in the city, difficult decisions will need to be made about which projects should receive limited restoration funds.

reasons, led it to file for bankruptcy in 2013 to address an estimated \$18 billion in debt and long-term liabilities.

Today, Detroit's population is stabilizing and its long-term liabilities have been restructured. Downtown Detroit has seen a resurgence of restaurants, retail, and both renovated and newly constructed buildings. Although this success is great for the city and the region, Mayor Duggan ran



CITY OF DETROIT

A map of publicly owned land. The blue dots represent public lots or vacant structures.

on building “One Detroit” with investment not just within the core but citywide. While the city’s prospects are rising, such depths of decline on top of the extreme lack of local jobs and low levels of income defy traditional solutions and require innovative investment possibilities.

To address the scale of the problem and establish a revitalized future city for all, the city of Detroit is pursuing an urban redevelopment strategy that first focuses on several identified neighborhoods in an attempt to meet the following goals:

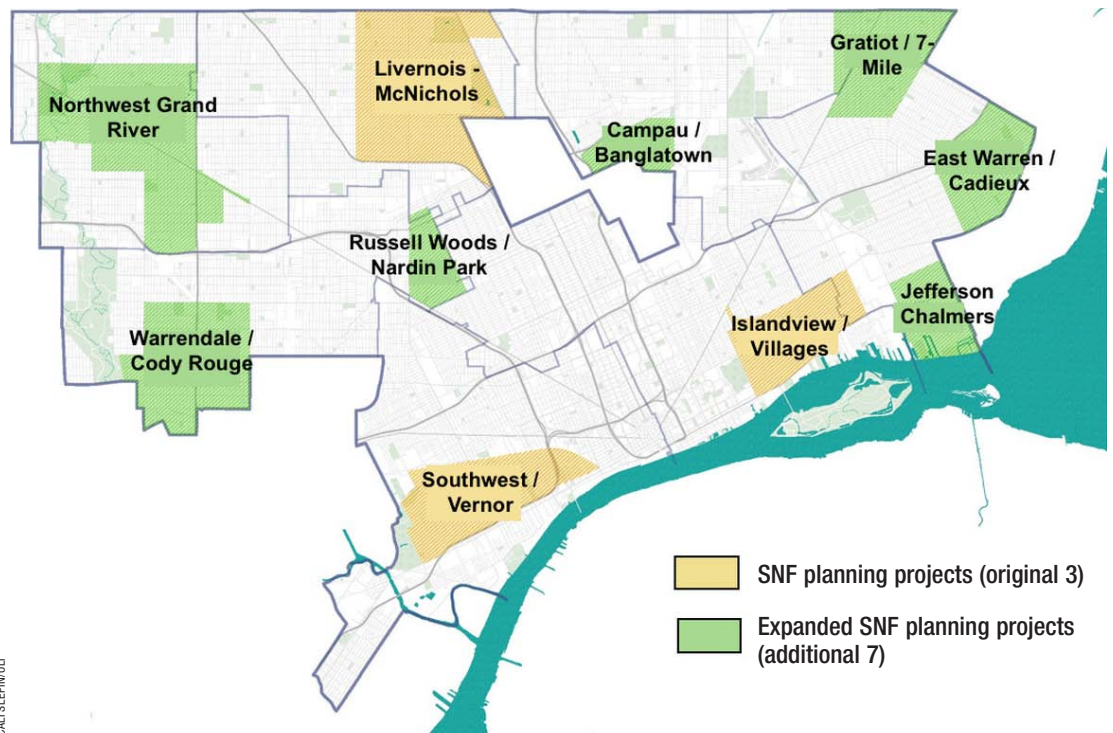
- Foster more vibrant, growing neighborhoods across the city;
- Preserve all regulated affordable housing units; and
- Ensure that wherever growth occurs, it increases inclusion and reduces segregation.

In part, the city of Detroit is achieving success in the identified neighborhoods in which planning is already happening through drawing on lessons learned from the collaborative template for economic growth deployed in the

Greater Downtown. The city of Detroit together with Invest Detroit established a \$30 million Strategic Neighborhood Fund (SNF) as a revolving loan and grant tool to support investment in three initial target neighborhoods—Livernois-McNichols, Southwest Detroit/Vernor, and Islandview/Greater Villages—and eventually to be rolled out to 10 neighborhoods over the next decade. This SNF has impressively expanded to more than \$130 million.

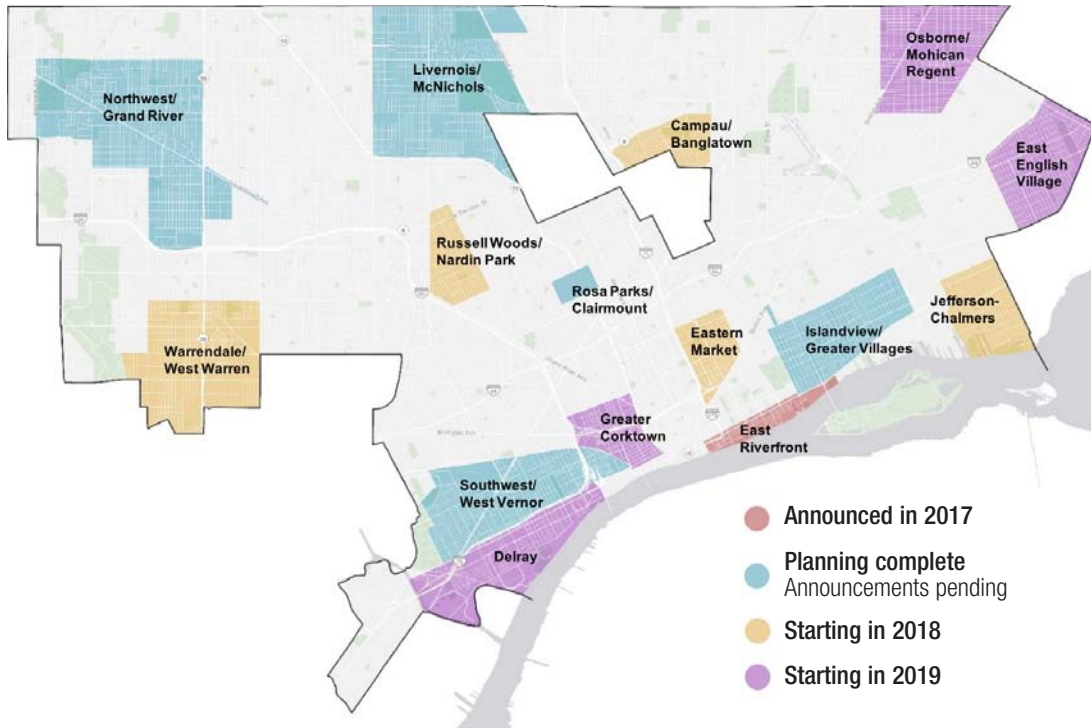
This place-based strategy promotes residential and retail density, job creation, and efficient infrastructure improvement. The goal of the SNF is to stabilize and strengthen these key neighborhoods so that property values rise and additional private-sector capital is attracted to these areas, including from traditional sources such as commercial banks. The SNF strategy also provides a critical opportunity to pilot innovative multisector partnerships to improve streetscapes and parks, induce commercial development, and promote housing stabilization.

Overlying this place-based approach is the recognition that Detroit is currently the most impoverished city in the United States, with 39.3 percent of Detroiters living below



A map of the original three SNF neighborhoods and the seven added as part of an expanded SNF program.

GALISLEPIN/ULI



Many of the neighborhood planning or framework projects align with the SNF neighborhoods.

the poverty line. This disparity is even more pronounced when compared with the region. Intergenerational poverty is exacerbated by a struggling education system, lack of health resources, and mismatch between available jobs and resident skill sets. Although place-based investments that trigger economic drivers and generate growth can be

targeted, growth alone will not level the playing field unless all Detroiters are included in the process.

A robust revitalization strategy for Detroit needs to include both equity initiatives in tipping-point neighborhoods and flexible, innovative service provision in neighborhoods

Median Household Income by Race/Ethnicity for Detroit and the Region

Race or ethnicity	City of Detroit	City of Detroit median income	Detroit MSA*	Detroit MSA median income
Total population		\$26,249		
White alone, not Hispanic or Latino	11.1%	\$30,843	70.1%	\$62,332
African American	81.0%	\$25,379	22.2%	\$31,693
Hispanic/Latino	5.1%	\$30,341	3.0%	\$45,057
American Indian and Alaska Native	0.5%	\$23,401	0.3%	\$41,587
Asian	1.1%	\$31,650	3.1%	\$87,890
Native Hawaiian and other Pacific Islander	—	—	—	\$47,046
Some other race	2.0%	\$30,713	0.8%	\$39,825
Two or more races	1.5%	\$26,789	1.5%	\$44,761

Source: U.S. Census, 2012–2016 American Community Survey Five-Year Estimates (2016 inflation-adjusted dollars).

*Detroit-Warren-Dearborn, Michigan, metropolitan statistical area.

recovering from chronic neglect. Equity initiatives include projects like Ready-2-Learn hubs, which provide one-stop access to early childhood health services; Project Destined, which trains urban youth in financial literacy, builds leadership skills, and provides mentorship through a hands-on learning program on real estate development; workforce programs like Detroit Conservation Corps, which engage residents in the concrete work of rebuilding; and Motor City Match, which connects new and expanding businesses with vacant commercial space. These types of initiatives ensure that place-based investments have traction.

Innovative service provision includes programs like Clean Slate, which connects residents with information and legal support to help expunge criminal records; Water Residential Assistance Program (WRAP), which provides support for households struggling to pay their water bills; and pop-up clinics, which provide comprehensive screening and care to help prevent unplanned teen pregnancy and interrupt the cycle of intergenerational poverty at a key moment when two lives are affected. Placement of these types of services is prioritized by areas of greatest need and by maximizing use of existing support infrastructure.

The Panel's Assignment

After years in which Detroit has used widespread demolition of vacant structures as a tool in its redevelopment, now is the time to turn to a strategy in which the stock of significant historic buildings is reused to help spark neighborhood revitalization. Detroit's Planning and Development Department (PDD) has coined the term *tactical preservation* to refer to the phased reuse of historic structures.

The panel's assignment focused on how the city of Detroit can help facilitate the partial incremental reuse of some of these iconic buildings that because of various factors languish vacant in neighborhoods and along commercial corridors. Specifically, the panel's assignment focused on when only partial reoccupation and adaptive use of a building is considered. These issues were presented as the following questions to the panel:

- How does a developer cover partial or entire insurance requirements?
- How might zoning be changed to accommodate new uses?

Defining Tactical Preservation

Tactical preservation is an innovative historic preservation initiative that focuses on adapting a single specific space within a large building for new uses. In addition, the initiative looks to streamline processes that can more efficiently move parts of buildings into new use while securing the remainder of the building envelope for future use, thus adaptively using specific space within a building.

This approach attempts to reduce costs while amplifying efficiency by being more targeted. It focuses on specific typologies, those recognizable iconic buildings such as schools, banks, libraries, recreation centers, theaters, and churches that contribute to the character of place while fulfilling critical social, cultural, religious, and commercial functions of urban life. Power plants are also a significant typology that provides an excellent opportunity to rethink incremental adaptive use of large-scale buildings that have

outlived their original use, yet retain physical value in the bones of their structures and symbolic worth in their iconic urban skyline identity.

The entryway of the partially restored Alger Theater in the East Warren/Cadieux SNF neighborhood.



- Can a mix of strategies be used in dealing with regulatory red tape to more efficiently transition the building from vacancy to partial reuse?
- How can current building codes be complied with to partially reuse the building?
- How might construction loans be facilitated and secured?
- How can utilities be adapted to the partial use of a building's space?
- How should the city develop a flexible but strategic framework for tactical preservation? What are potential replicable strategies to pilot citywide?
- How should the city develop partnerships with the private, nonprofit, and philanthropic sectors?
- What are some innovative funding and financing sources that can help implement tactical preservation in the city of Detroit?
- How does Detroit begin to implement tactical preservation in the first three months, six months, and 15 months?

Among the city's portfolio of publicly owned vacant structures are 48 school buildings, many of which are architecturally striking and identified as nationally significant, making them eligible for listing in the National Register of Historic Places. Nevertheless, they are also in varying states of disrepair and located in a range of neighborhoods with diverse rates of stability and potential for marketability, which complicates their suitability for adaptive use. An abundance of vacant but predominantly privately owned property that is equally architecturally significant exists in the form of religious structures, fire stations, banks, recreation centers, and theaters. These buildings are historic assets that add not only character but also value to the city, providing a reminder of its remarkable heritage and contributing to a unique sense of place.

Key Recommendations

Based on briefing materials provided by the PDD, a tour of the city of Detroit, interviews with more than 90 stakeholders, and rigorous panel discussion, the panel recommends broadening the *tactical preservation* term to encompass complete as well as partial renovation and adaptive use as the catalyst of neighborhood revitalization. The panel believes that the PDD must adopt a triage approach to evaluate structures, eliminate barriers, and set goals and timelines for swift action over the next 12 to 18 months.

Key recommendations include the following:

- **Be tactical about tactical preservation.** Adopt an economic development approach to preservation that prioritizes investment opportunities based on projected commercial opportunities and identified retail and community needs. This can be codified by the creation of a matrix of preservation strategies and programmatic opportunities that establishes redevelopment and preservation priorities based on attainable goals and reasonable investments. Tactical preservation should be integrated into all aspects of the PDD's work going forward—especially the Neighborhood Framework Plans.
- **Initiate tactical preservation through the SNF.** This is an excellent program and partnership that serves as a vehicle to leverage investments from the public, private, and philanthropic communities to revitalize communities and build generational wealth.
- **Identify and stabilize 10 to 15 viable neighborhood candidates in SNF neighborhoods while plans are being developed and implemented.** The scale of Detroit's problem with vacant and abandoned buildings is much larger than in many other postindustrial U.S. cities. This scale requires a focus on the most crucial buildings to achieve the ambitious goals of economic revitalization laid out by Mayor Duggan. Targeting a few critical buildings in each SNF neighborhood will allow investments to be more strategic and effective as well as prove the viability of the tactical preservation program.

- **Build on existing resources, such as Motor City Match, Motor City Re-Store, and SNF.** Detroit already has extensive resources and programs in place for addressing the issue of a lack of neighborhood-scale investment. The PDD needs to leverage these programs to implement tactical preservation.
- **Commit to interagency coordination to maximize government flexibility.** The city of Detroit needs to work as a whole to meet the goals set forth by the mayor. Tactical preservation can be a key way to achieve the mayor's vision and embed it into the government, but it can be achieved only if the PDD and the other agencies work together. The panel recommends the formation of a Tactical Preservation Task Force that clearly delineates roles and responsibilities for implementing tactical preservation.
- **Develop without displacement by using tactical preservation to protect community assets.** Tactical preservation can shift neighborhood revitalization from the programmatic aid model that currently exists to a more strategic investment-driven model that redefines impact, increases inclusion, and reduces segregation.

Detroit can be a global model for how underinvested communities can benefit from new energy, excitement, and investment.

- **Cultivate inclusive leadership and build capacity through community champions.** The city of Detroit cannot do it alone. The PDD needs to identify community champions and leverage their enthusiasm and local knowledge to implement the tactical preservation program.
- **Set an aggressive schedule and keep it.** The PDD needs to focus on achieving results quickly to demonstrate success and build support for a preservation-based approach to economic development.

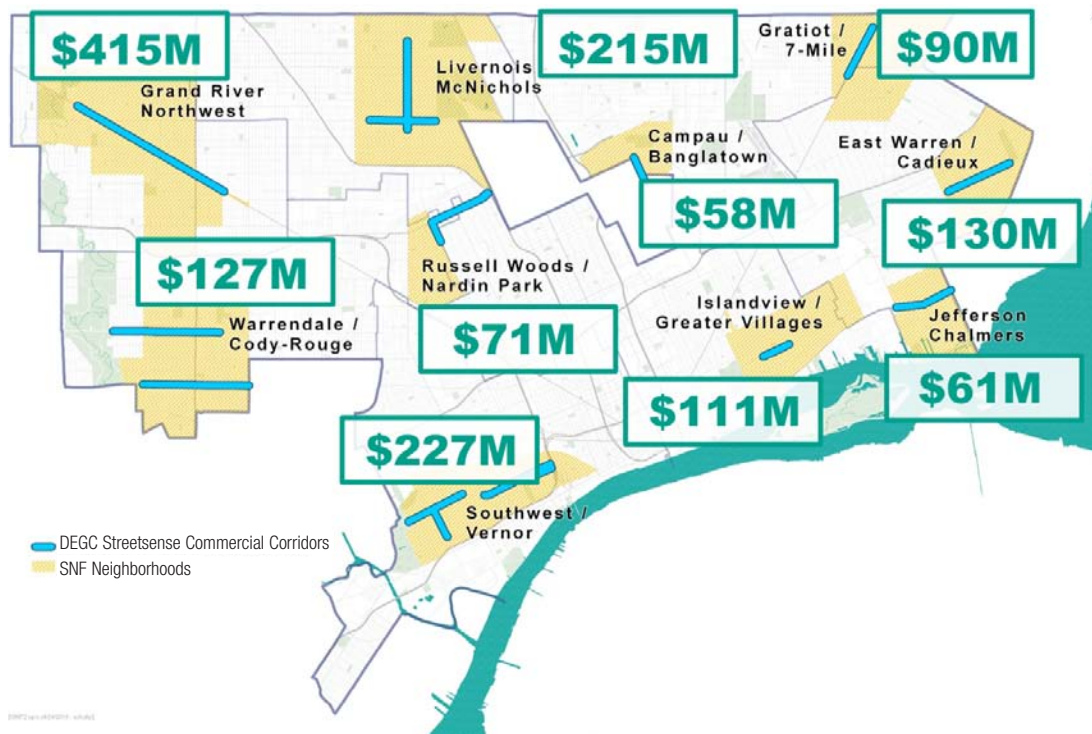
Vision and Guiding Principles

IN THIS REPORT, THE PANEL DID NOT WANT to duplicate previous efforts; rather, the panel wants to acknowledge the hard work, dedication, and time commitment already made by the city of Detroit’s passionate staff, advocates, stakeholders, and partners to revitalize Detroit neighborhoods, including efforts like Motor City Match and the SNF. This report’s intent is to build on those efforts and offer complementary strategies and planning processes to embed planning efforts in communities.

To guide the report and to ensure that the idea of tactical preservation moves from a concept to a reality, the panel identified four key concepts that both reinforce existing ideas and introduce new concepts for the city, as follows:

- Place-based tactical preservation;
- People-driven approach to tactical preservation;
- Interconnected urban network; and
- Move from aid to investment.

The panel agrees with the city of Detroit that tactical preservation should be a key element of a comprehensive strategy to foster neighborhood economic development based on the SNF. The goal should be to focus on the community-identified, iconic, historic structures in each of the 10 targeted neighborhood commercial districts and use them as catalytic projects for focused regeneration. Because the SNF operates as a revolving loan fund



Retail corridors identified by the city of Detroit overlaid on the SNF neighborhoods. The values represent more than \$1.5 billion in potential retail demand in neighborhoods outside Detroit’s downtown core.

targeting a four- to five-block area along a key commercial corridor at the center of an existing intact residential area and adjacent to other market opportunities, the panel believes these commercial areas offer the most promise to be successful places to initiate neighborhood revitalization and adaptive use efforts. Funds can act as bridge financing for phased development.

Place-Based Tactical Preservation

Place needs to function as the key concept to honor Detroit's history and guide its future. Preserving the identity and heritage of the neighborhoods—and their relationship to downtown Detroit—must become a defining part of Detroit's overall path to revitalization. A place-based preservation strategy should focus on the core of existing neighborhoods and their communities and should be a defined focus of the overall revitalization strategy. These ideas are already being actively implemented through the SNF process and the PDD's neighborhood planning efforts for the next few years.

In conjunction with the community-based planning process for each of 10 targeted neighborhoods through the SNF, the city should recognize that historic sites are key to neighborhood identity and memory and target them to be catalytic projects for neighborhood revitalization. Because these key sites were the historic core of the neighborhood commercial district, they should be the focus of a new walkable neighborhood district, supported by the surrounding residential neighborhood, and targeted for neighborhood-serving retail, entertainment, and nonprofit development.

Targeted efforts, through tactical preservation or other strategic approaches, should be made to revive these buildings in a way that considers how they connect to the larger community. If a more piecemeal, building-by-building approach is taken, then the larger economic benefits will not be realized either for these individual buildings or for the surrounding neighborhood. With this strategy in mind, the city should maintain a tight focus on the 10 identified strategic neighborhoods currently funded through the

SNF. This focus will help manage the scale of the problem among the more than 78,000 vacant buildings that have been identified with varying degrees of decay.

People-Driven Approach to Tactical Preservation

By identifying the key historic structures in each targeted neighborhood, the PDD can develop community-led support and engagement planning for preservation. This in turn must be incorporated into the development of each upcoming neighborhood plan and integrated into the implementation of those projects that have already been completed. This approach to community-identified preservation has the potential to make historic preservation a central element of each plan and to use preservation as the core element of revitalization. Community champions should be empowered to ensure that both the city and the developers are held accountable for promises and designs. This approach will also ensure that preservation efforts are used strategically to benefit existing and future residents and businesses. The strategy is not just about preserving buildings but also about reversing urban renewal efforts focused on “blight” rather than the people that live and work in the neighborhood.

Moreover, tactical preservation can be used as a job skills training opportunity. The panel learned through interviews

The West Vernor Corridor Plan was completed before implementation of the tactical preservation program. The panel recommends revisiting past Neighborhood Framework Plans and including tactical preservation as an amendment.



that Detroit suffers a serious shortage of trained, skilled labor. Because of the small-scale nature of this program, tactical preservation can be used as a training ground for individuals, labor unions, and development companies. It can be made central to job training efforts within the city by providing a high-paying, low-barrier entry point into the workforce.

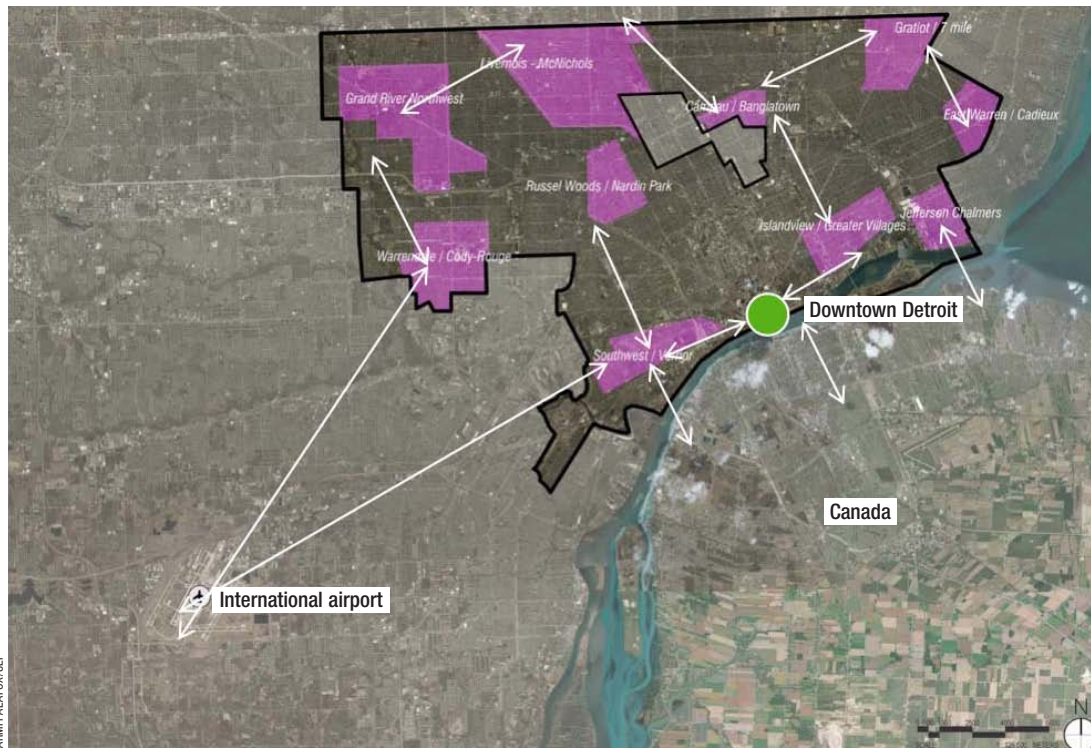
Interconnected Urban Network

Tactical preservation efforts should be targeted but still interconnect with the larger city of Detroit and its regional framework. Thinking about place-based activities specifically within targeted neighborhoods is critical to success but also is how these efforts relate to broader city and regional revitalization goals, policies, and priorities. By connecting neighborhoods with the city center and surrounding suburbs to generate retail traffic and opportunities, targeted preservation strategies and adaptive use will drive demand, thus bolstering success.

This guiding principle by no means suggests that the PDD should broaden its efforts, but the panel believes that by being mindful of the historic relationships between downtown, the port, the airport, job centers, and surrounding suburbs—including in Canada—the 10 SNF neighborhoods can return again to the role they enjoyed before disinvestment and depopulation as active neighborhood centers, but in a more concentrated way. Further, this will bolster the economic argument for why the PDD’s tactical preservation program is important to fully realizing the rich, unique resource for regional economic development that is the city of Detroit’s historic building stock.

Move from Aid to Investment

The city of Detroit has seen significant and positive investments in its downtown core from the philanthropic and private sectors as well as the government. This has greatly benefited the city and region; however, many in Detroit’s African American community have not participated in the increased prosperity in a manner that has increased their



A map of the region depicts the potential connections of the 10 SNF neighborhoods to each other, and to downtown Detroit, the immediate suburbs, Detroit’s international airport, and Canada.

wealth. Sharing this prosperity with all city residents is a goal of the mayor, and tactical preservation can be a key tool ensuring that economic revitalization is shared by all—particularly people of color.

The first step to broadening the pool of people able to participate in the city’s rebirth is to ensure investment (philanthropic, private, and institutional) occurs in neighborhoods outside downtown with a strategy for increased value capture by existing residents. Long-term residents are the ones who weathered the storm of tough economic times in Detroit and should have the opportunity to gain from the increasing desirability of their neighborhoods.

A strategy is needed that will enable property owners to leverage their property into greater income streams and grow generational wealth. It is different from the typical approach that uses “programmatic-related investments” or aid that is for specific improvements but not designed to leverage investments in ways that are occurring in downtown Detroit. Taking a new investment-focused approach to revitalization will more fully benefit existing residents and will also address concerns from the philanthropic community that money is being unsuccessfully spent or spread too thin.

Increasing Prosperity for Detroiters

Gentrification and cultural disruption are hotly contested topics in Detroit—and around the nation—that pit the benefits of increased economic activity and urban revitalization against displacement and disruption of existing, established communities and their ability to directly access and benefit from the increased prosperity of the city as a whole. *Gentrification* is a process of urban development in which higher-income individuals move into a lower-income neighborhood, thereby leading to

higher-income people capturing increased economic value in low-income neighborhoods while displacing existing low-income residents who are primarily people of color.

Gentrification without displacement is possible through socially conscious development and investment that honors, recognizes, and includes all races, colors, creeds, and socioeconomic levels. This, and a robust community engagement strategy, should be a necessary component to any revitalization strategy.

Gentrification and Neighborhood Investment

Positive	Negative
Stabilization of declining areas	Displacement through rent/price increases
Increased property values	Secondary psychological costs of displacement
Reduced vacancy rates	Community resentment and conflict
Increased local fiscal revenues	Loss of affordable housing
Encouragement and increased viability of further development	Commercial and industrial displacement
Reduction of urban sprawl	Increased cost for local services
Increased social mix	Social segregation between new and old residents
Decreased crime	Lack of agency and participation in neighborhood evolution
Increased consumer purchasing power at local businesses	Effect on other neighborhoods to which the displaced move

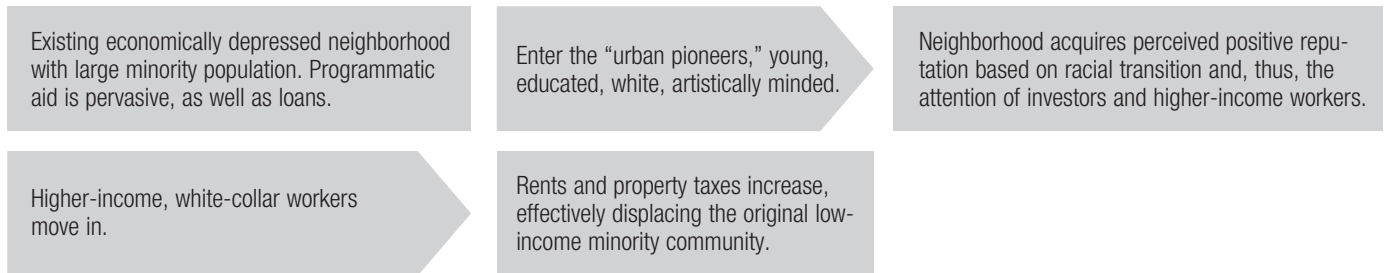
Source: ULI.

Inclusive Approaches to Development

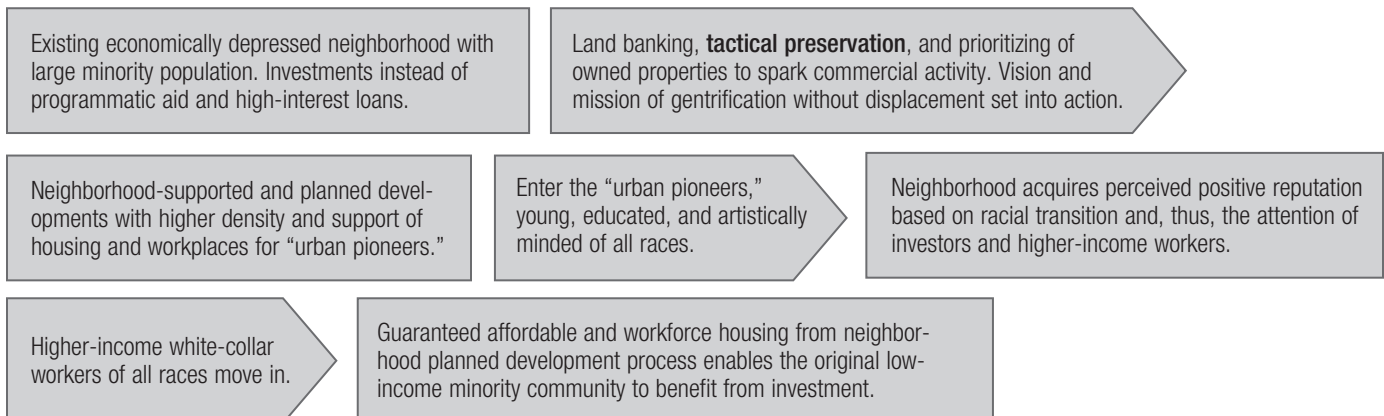
URBAN DEVELOPMENT HAS BECOME increasingly desirable to investors and new residents, which has led to an influx of capital and wealthier residents often displacing existing residents. Creative strategies must be developed to minimize displacement so that all residents can benefit from neighborhood gentrification. Revitalization is challenging, but through intentional strategic development, members of historically marginalized communities can be given access to the American dream, and diversity of Detroit communities can be sustained. Access to the American dream means investing in and providing the same funding to all members of a community (as well as government subsidies) that is enjoyed by those with the highest incomes and wealth.

In an effort to push forward a gentrification-without-displacement strategy, philosophically aligned partnerships must be developed. The city of Detroit is embarking on such a strategy with its tactical preservation approach, an innovative historic preservation initiative focused on adaptively using specific space within a building. This approach attempts to reduce costs while amplifying efficiency by being more targeted. It focuses on specific typologies: those recognizable iconic buildings such as schools, banks, libraries, and recreation centers that housed the cultural, religious, and commercial functions of urban life. Because of its focus on neighborhoods and people throughout the city, the panel believes that tactical preservation can be a tool for development without displacement and has a high likelihood of inclusion.

Existing Investment Model



More Inclusive Investment Model



Source: ULI.

The panel commends the city of Detroit as it invites everyone in the community to be equal partners in determining the community's future, taking ownership of the process, means, and outcomes of the neighborhood revitalization efforts. Of course, this effort takes time and resources, but it is well worthwhile; community engagement is the only way to build real consensus and buy-in and to ensure outcomes that are sustainable over time. It builds capacity for revitalization work by cultivating leadership from within the community and inspires passionate community pride that sustains any revitalization effort. The following sections provide case studies and examples of collective impact models and programs to help build a people-driven approach to tactical preservation.

Place-Based Approach to Tactical Preservation

As the city of Detroit launches tactical preservation as a tool in the 10 strategic neighborhoods, it can look to several successful collective impact models across the country that have worked in other communities to build capacity and momentum—to involve people not only in brainstorming ideas and a vision for their community but also in seeing a project to its completion through sweat equity, donations, and time commitment.

These planning processes have also been successful in sustaining planning efforts when the expert leaves. Plans are not shelved; instead, plans are used as an implementation tool for the city and the community. Although experts are brought in at the beginning of the process, tools are left behind for the city and community to work together as equal partners in realizing success for the neighborhood.

National Main Street Center's Main Street Approach

The Main Street Approach is the leading voice for preservation-based economic development and community revitalization across the country. It begins with creating a vision for success in neighborhood commercial districts that is rooted in a solid understanding of the market



Looking north on Lasher Road in the Grand River Northwest SNF neighborhood.

realities of the district and informed by broad community engagement. Main Street promotes a community-driven process that brings stakeholders from various sectors together, inviting them to be proactive participants in the revitalization process. This essential component provides the foundation for outlining the community's own identity, expectations, and ideas while confirming real and perceived perceptions, needs, and opportunities. It also ensures that the vision is a true reflection of the various perspectives of the community.

The Main Street Approach is a revitalization framework that is a combination of art and science: communities learn about the local economy, its primary drivers, and its regional context (the science), but also convey that special sense of place through storytelling, preserving the older and historic structures and cultural assets that set districts apart, broad and inclusive engagement and marketing (the art). The Main Street Approach is most effective in places where community residents have a strong emotional, social, and civic connection and are motivated to get involved and make a difference. This approach works where existing assets—such as older and historic buildings, local independent businesses, stakeholders, and residents—can be leveraged.

Community engagement is a vital component of the Main Street Approach and for dealing with issues of inequity and injustice. Without decision-making power, those most

marginalized in the community are least likely to experience the benefits of community improvements. Often the marginalized community may fall victim to displacement. Engagement efforts must open dialogues with previously marginalized groups in ways that feel meaningful and safe for them: diversity of perspectives, backgrounds, and experiences are crucial in shaping the future of a neighborhood district.

LISC Building Sustainable Communities

Sustainable communities are places that offer the positive environments needed to ensure that all residents of varied income levels are provided the opportunities and tools to build assets, to participate in their communities, and to become part of the mainstream economy. They are, in effect, the embodiment of both “community” and “development”—places where human opportunity and social and economic vitality combine with a continuous process of growth, adaptation, and improvement. The city of Detroit is fortunate to have a Local Initiative Support Corporation (LISC) office located in Detroit that could serve as the convener for this effort.

Citi Foundation Partners in Progress

Partners in Progress builds on the concept of the “community quarterback” to increase economic progress in low-income communities. This model, first introduced in the book *Investing in What Works for America's Communities*, stems from the idea that the best community development is holistic and multidisciplinary, but to be successful, requires a quarterback organization that can align the efforts of many partners around a shared vision, marshal resources, and keep stakeholders accountable. Ultimately, the Partners in Progress program seeks to increase the impact of local organizations and improve the lives of low-income residents.

Purpose-Built Communities

Purpose-Built Communities (PBC) focuses on a defined neighborhood where transformative programs and infrastructure can be established: the process aims to change the place and change the outcomes for people who live there. This process generally creates a new nonprofit

to lead revitalization by engaging community members, building partnerships, securing funding, and ensuring implementation of housing, education, and wellness components of the model as part of the community’s vision.

PBC offers an environment with high-quality construction and practical amenities surrounded by safe walkways and streets, transforming the way residents view themselves and their neighborhood. In addition, PBC focuses on establishing an arena for student growth, learning, and achievement at every level, starting at birth and implementing a rigorous and relevant curriculum to help ensure successful futures through college and beyond while also providing a community-specific mix of facilities, programs, and services that honor local history, reflect the priorities of residents, promote healthy lifestyles, create jobs, and reduce crime.

People-Driven Approach to Tactical Preservation

Human capital development is vitally important for the growth of Detroit’s workforce because of the shortage of people skilled in the service industry and union construction labor force. As the SNF expands into additional neighborhoods to stabilize commercial corridors, homes, and vacant lots, the tactical preservation efforts should integrate human capital development programs to increase the skill set of local Detroiters.

Growing Homes Inc.

Growing Homes Inc. has helped people find meaningful careers through skills learned by farming since 2002. Growing Homes is Chicago’s leading expert in farm-based training for people with employment barriers. It is located in Englewood, a community on the South Side of Chicago that has been underserved for decades and has high rates of unemployment, poverty, hundreds of acres of vacant lots, and lack of healthy food choices. By providing 25 hours per week of paid on-the-job experience and job-readiness training at their farms, plus wrap-around support to conquer issues such as criminal records, medical needs, child care, and housing, the group works to put participants on the path to self-sufficiency.

Dawson Technical Institute of Kennedy-King College

Dawson Technical Institute (DTI) of the City Colleges of Chicago at Kennedy-King College is an academic job training center for construction technology careers established in 1968. DTI's mission is dedicated to providing students with intensive and comprehensive industry-validated training in the construction trade and utility industries. DTI offers the following certificate and degree programs:

- Bricklayer;
- Combination welder;
- Concrete masonry;
- Construction carpentry;
- Construction management;
- Electrical line worker;
- Gas utility worker;
- Highway construction careers training program; and
- Plumbing and fire protection.

Community Investment Corporation

The Community Investment Corporation's property management training program provides landlords with the knowledge to better market, manage, and maintain residential rental property. Topics include marketing, fair housing, the landlord/tenant ordinance, insurance, nuisance abatement, real estate tax issues, maintenance, and budgeting. Experienced property managers, attorneys, fair housing experts, and real estate tax specialists lead workshops of three hours for three consecutive evenings (nine hours total).

Building Development Capacity for Detroiters

Motor City Match is an excellent way to identify property owners who have intact properties and are willing to rent their space to small business owners. Some property owners and smaller community-based organizations that own property may need additional hand-holding and educational tools to get them over the hump. Additional capacity-building tools that can complement existing programming could be used as an added spark to accelerate the availability of white box-ready commercial spaces for lease.



Chicago Rehab Network

Chicago Rehab Network's Empowerment Series annual training is designed for staff and board members of community-based affordable housing development organizations, government employees, community bankers, small neighborhood developers, and elected officials and their staffs. Participants in the workshop learn technical development skills (e.g., community building, finance skills for real estate, pro forma development, sources of development financing, single-family housing development, multifamily housing development, project and construction management, and property asset management), discuss strategies for community empowerment and reinvestment, and share their experiences with others in the field.

Catalytic Tactical Preservation Projects

AS DISCUSSED, TACTICAL PRESERVATION is a term coined by the PDD, but other examples of adaptive use projects with varying degrees of success are similar to what the city of Detroit is trying to achieve. Preservationists internationally are working on projects that are designed to conserve, adaptively use, and catalyze surrounding uses. This section provides both U.S. and international examples.

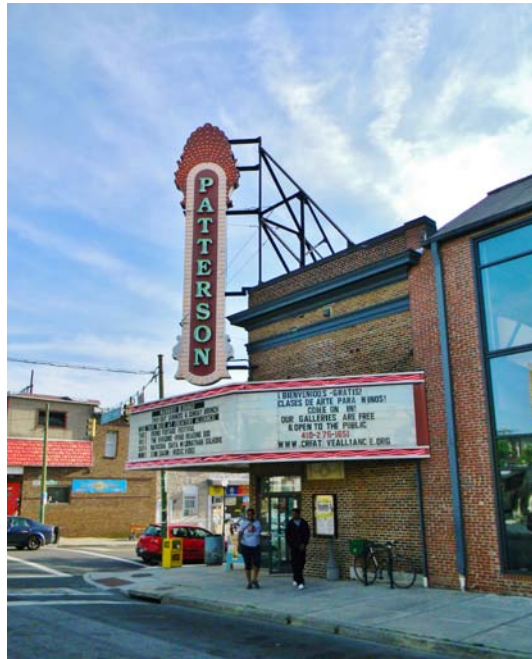
U.S. Examples

Within the United States, case studies are included from Maryland, California, Illinois, and Massachusetts. These projects helped revitalize communities in an inclusive way, primarily through public/private partnerships. In Detroit, the Motor City Java House is a great example of this.

Patterson Theater, Baltimore, Maryland

Owned by Creative Alliance, a community-based organization whose mission is to bring audiences and artists together, the Patterson Theater was renovated by the group using a phased approach. The first phase of renovations began in 2000 when Cho Ben Holback & Associates gutted and rebuilt the building's interior. Creative Alliance kept the fireproof concrete projection booth but turned the remainder of the space into a multipurpose art center with galleries, artists' studios, a marquee lounge, and a flexible theater that opened in May 2003.

The second phase continued a few years later with the addition of a café. The original concrete fireproof projection booth remained and became the focal point of the dining room. Since the opening of the new building, Creative Alliance has hosted hundreds of events, live performances, exhibitions, films, and workshops for the community and visitors alike. Reopening this theater helped spur economic growth in Baltimore's Highlandtown neighborhood.



FILKROUSCINT724

The Patterson Theater houses the Creative Alliance in Baltimore.

The Hall, San Francisco, California

The Hall was the temporary activation of a warehouse building that had been blighted and vacant for seven years before developers and partners Tidewater Capital, a San Francisco-based investment and development firm, and War Horse, a Baltimore-based development firm, purchased the property in 2013. The building is located in the Tenderloin, a San Francisco neighborhood that has long faced many social challenges, such as drugs, unemployment, crime, and poverty.

The Hall, an experiment that was conducted in 4,000 square feet of temporary retail space, focuses on community engagement and urban revitalization while the development team successfully sought the entitlements to redevelop the site to provide 186 units of rental housing above 10,000 square feet of retail space. The future

development is planned to include a mix of market-rate and affordable housing. The interim use consisted of six restaurants run by local food entrepreneurs—all former food-truck vendors—a bar, and the developer’s office, plus events programming aimed at promoting positive change in the community. The Hall was more than a culinary arts initiative. The space served as a gathering place—a clubhouse of sorts.

It was built with the intention of fostering connection among members of the community by creating a space to convene, break bread, and share experiences. Between opening in October 2014 and closing in October 2017, the Hall served more than 4,000 meals a week, was the site of more than 90 community events, and donated more than \$35,000 to local nonprofit groups. In 2015, it began serving monthly community breakfasts, open to all, during which the development team provides updates on the broader project, seeking input from stakeholders while discussing such community topics as public safety, small business development, housing affordability, and arts in the community. Further, in an effort to address neighborhood unemployment, the Hall organized and sponsored two job fairs to help match employers with neighborhood job seekers.

Stony Island Arts Bank, Chicago, Illinois

Theaster Gates Jr., an artist and founder of the Rebuild Foundation, purchased Stony Island Trust & Savings Bank for \$1 from the city of Chicago in 2012 to rehab the 17,000-square-foot property. Rebuild Foundation is a platform for art, cultural development, and neighborhood transformation. Stony Island Arts Bank is a fusion of gallery, *Ebony* and *Jet* magazine archives, library, and community center—and a home for Rebuild’s archives and collections.

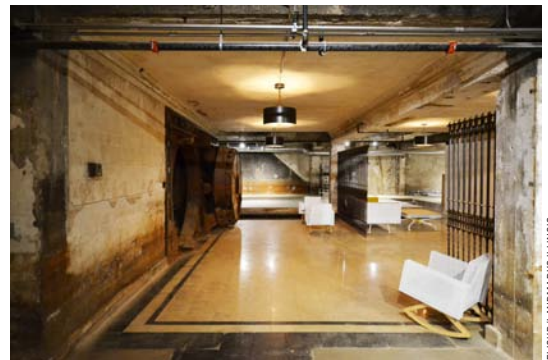
Designed by William Gibbons Uffendell and built in 1923 at 68th Street and Stony Island Avenue, the building was once a vibrant community savings and loan bank. In the 1980s, the branch closed and the building remained vacant for decades. In 2015 the building was restored by Rebuild (Theaster Gates) Foundation and now serves as a



Flickr/Landmarks Illinois



Flickr/Landmarks Illinois



Flickr/Landmarks Illinois

The former Stony Island Trust & Savings Bank building in Chicago was partially renovated for \$4.5 million to become the Stony Island Arts Bank. To finance the project, some marble from the building was removed and sold in chunks inscribed with “In ART We Trust” to serve as “bank bonds.” One hundred bank bonds were sold for \$50,000 each. In addition, more than \$1 million has been raised from ticket sales for a gala, and artwork made from the building’s reclaimed wood was also auctioned. The images show before and after photos of the former vault room as well as the outside of the building.

destination for artists, scholars, curators, and collectors to research and engage with Chicago’s South Side history. As an example, Chicago is known for creating House Music,



A former firehouse was converted into the Amazing Things Art Center in Framingham, Massachusetts.

and the Arts Bank houses all of Frankie Knuckles vinyl collection “Godfather of House Music.”

Historic Downtown Hollis Street Firehouse, Framingham, Massachusetts

The Amazing Things Arts Center, founded in 2005 to bring together a diverse community of artists, art supporters, and appreciators of the arts of all ages, cultures, and interests in an inclusive and supporting environment, entered into an agreement with the city to lease the firehouse building for a period of 50 years and as part of the agreement to renovate the Hollis Street Firehouse over a 10-year period. The group began a capital campaign raising more than \$250,000 of cash and in-kind contributions from individuals and companies who donated time and resources to prepare the space. Work completed during the first phase included a repaired and newly painted performance space, electrical system replacement, new lighting, bathroom and kitchen upgrades, office renovations, a newly paved parking lot, outdoor landscaping, and partial restoration of brickwork to the building facade.

The group moved into the space in 2008 and went to work to bring the center to life. The firehouse included a performance seating capacity of 150 and space for art exhibits, classrooms, and lectures. This enabled the group to involve larger and more diverse audience and members to bring community awareness of Amazing Things’ program offerings and contributed to the economic development and renewal of a distressed community.

International Examples

Internationally, case studies included are from Japan, Canada, France, and Scotland. These projects have been funded in a variety of ways, including funding from the private sector and government.

Former Japanese Industrial Building

In 2017, a family purchased a former industrial building and residence in Nobeoka, Japan, to renovate and use as a living space. The owner of the building had an emotional connection to the structure because it was in operation when the owner was young. Initially the building was constructed as a wood-frame building but subsequently expanded to a larger steel-framed building. This space was larger than the residence required, so the majority of the building was stabilized and residential finishes were added in the core of the building. The perimeter of the building is positioned to be used as needed. The project was designed by Schemata Architects.

Bâtiment 7, Montreal, Canada

Bâtiment 7 in Montreal, Canada, is a phased reuse of a 90,000-square-foot former industrial building on the former Canadian National rail yards. Initially the building was proposed to be reused as a casino, but the local community members of the Pointe-Saint-Charles neighborhood did not agree with this use. The developer and owner of the property, Groupe Mach, changed course to create a project that was more rooted in the community with an emphasis on outreach and visibility. The building is being redeveloped with gathering places for the community and services, family and health, food security and urban agriculture, and contemporary art. The project is estimated to cost about \$4 million.



Artist's rendering of the Canadian project.

The project is being completed in a phased development: the initial 20,000 square feet completed in January 2018 includes a public square, green space, and community gardens. An additional three phases will fully occupy the building. To finance the project, the developer has provided a million dollars in initial investment and is raising the remaining funds through community bonds, long-term loans with interest, mortgages, and crowdfunding. The second phase—including a daycare facility, birthing center, and alternative health groups—is expected to be completed in 2019. The third phase is expected to start in 2020 with a food hub and a greenhouse, kitchen, and possibly animals. The final phase will be done in collaboration with a local arts group that will create a space for contemporary art.

Palais de Tokyo, Paris, France

The Palais de Tokyo was originally built in 1937 for the *Exposition internationale* as a modern art museum. The building near the Trocadéro in Paris, France, has been temporarily used as a museum with a variety of uses throughout its history. Following the opening of the Centre National d'Art et de Culture Georges Pompidou in 1976, the building transitioned as a museum for film and photography. But by 1998 the vision for a film space went unrealized, and the building sat empty. In 2001, a first phase transitioned the building into a center for contemporary art that lets artists create, learn about, and have space to discuss art. A second phase opened in 2012 and now occupies more than 230,000 square feet of the building as the largest center of contemporary art in Europe.



Lobby of the Palais de Tokyo. Whereas the outside of the building is grand, the interior was not fully restored.

FLICKR/DALBERA



GEOGRAPHY/RICHARD WEBB

Harlawhill House in Prestonpans, Scotland.

Historic Environment Scotland

Because of a changing funding landscape—fewer large grants—Historic Environment Scotland (HES) has been piloting an “interim repair” program that conducts modest repairs to threatened structures simply to buy time until the market changes or the area revitalizes—even without an end use in mind. HES has completed three projects so far with modest success, including the Wauchope Mausoleum, Harlawhill, and the Callendar House station.

The first step is to create a temporary roof to keep things dry a bit longer because water ingress is the main engine of decay. HES has found that in some cases this is better from a conservation point of view since large projects are more complicated and the end use may never live up to the projected visitor numbers.

Stabilizing Iconic Neighborhood Structures

A SIGNIFICANT NUMBER OF THE ICONIC structures located in the identified commercial corridors are in poor to severe states of disrepair. Because substantial time will be needed to address all the structures the community identifies as historic and worth saving, close attention must be paid to alleviating additional structural failure. Without significant immediate investment, many of these structures will degrade to a state where they will be unrepairable without inordinate capital investment or to a point where they become a public hazard and must be demolished.

The relatively severe seasonal weather conditions of the region pose an immediate threat to each property. Efforts must be undertaken to immediately mitigate already adverse conditions. Absent near-immediate action, some of the properties will be precluded from possible restoration and development.

Immediate actions necessary include but are not limited to the following:

- Repairing or replacing roofs;
- Securing and covering all fenestrations;

The National Park Service's Heritage Preservation Services has created extensive resources on strategies and tips for mothballing buildings until their eventual use can be determined. More information can be found at www.nps.gov/tps/how-to-preserve/briefs/31-mothballing.htm.

MOTHBALLING CHECKLIST			
Mothballing Checklist	Yes	No	Date of action or comment.
<p>In reviewing mothballing plans, the following checklist may help to ensure that work items are not inadvertently omitted.</p>			
Moisture			
<ul style="list-style-type: none"> • Is the roof watertight? • Do the gutters retain their proper pitch and are they clean? • Are downspout joints intact? • Are drains unobstructed? • Are windows and doors and their frames in good condition? • Are masonry walls in good condition to seal out moisture? • Is wood siding in good condition? • Is site properly graded for water run-off? • Is vegetation cleared from around the building foundation to avoid trapping moisture? 			
Pests			
<ul style="list-style-type: none"> • Have nests/pests been removed from the building's interior and eaves? • Are adequate screens in place to guard against pests? • Has the building been inspected and treated for termites, carpenter ants, and rodents? • If toxic droppings from bats and pigeons are present, has a special company been brought in for its disposal? 			
Housekeeping			
<ul style="list-style-type: none"> • Have the following been removed from the interior: trash, hazardous materials such as inflammable liquids, poisons, and paints and canned goods that could freeze and burst? • Is the interior broom-clean? • Have furnishings been removed to a safe location? • If furnishings are remaining in the building, are they properly protected from dust, pests, ultraviolet light, and other potentially harmful problems? • Have significant architectural elements that have become detached from the building been labeled and stored in a safe place? • Is there a building file? 			
Security			
<ul style="list-style-type: none"> • Have fire and police departments been notified that the building will be mothballed? • Are smoke and fire detectors in working order? • Are the exterior doors and windows securely fastened? • Are plans in place to monitor the building on a regular basis? • Are the keys to the building in a secure but accessible location? • Are the grounds being kept from becoming overgrown? 			
Utilities			
<ul style="list-style-type: none"> • Have utility companies disconnected/shut off or fully inspected water, gas, and electric lines? • If the building will not remain heated, have water pipes been drained and glycol added? • If the electricity is to be left on, is the wiring in safe condition? 			
Ventilation			
<ul style="list-style-type: none"> • Have steps been taken to ensure proper ventilation of the building? • Have interior doors been left open for ventilation purposes? • Has the secured building been checked within the last 3 months for interior dampness or excessive humidity? 			

Figure 26. MOTHBALLING CHECKLIST. This checklist will give the building owner or manager a handy reference guide to items that should be addressed when mothballing a historic building. Prepared by H. Ward Judd, NPS.

Conclusion

Providing temporary protection and stabilization for vacant historic buildings can arrest deterioration and buy the owner valuable time to raise money for preservation or to find a compatible use for the property. A well planned mothballing project involves documenting the history and condition of the building, stabilizing the structure to slow down its deterioration, and finally mothballing the structure to secure it (See fig. 25). The three highest priorities for the building while it is mothballed are 1) to protect the building from sudden loss, 2) to weatherize and maintain the property to stop moisture penetration, and 3) to control the humidity levels inside once the building has been secured. See Mothballing Checklist Figure 26.

While issues regarding mothballing may seem simple, the variables and intricacies of possible solutions make the decision-making process very important. Each building must be individually evaluated prior to mothballing. In addition, a variety of professional services as well as volunteer assistance are needed for careful planning and repair, sensitively designed protection measures, follow-up security surveillance, and cyclical maintenance (see fig. 27).

In planning for the future of the building, complete and systematic records must be kept and generous funds allocated for mothballing. This will ensure that the historic property will be in stable condition for its eventual preservation, rehabilitation, or restoration.

Acknowledgements

This publication has been prepared pursuant to the National Historic Preservation Act of 1966, as amended, which directs the Secretary of the Interior to develop and make available information concerning historic properties. Comments on the usefulness of this publication may be directed to H. Ward Judd, Deputy Chief, Preservation Assistance Division, National Park Service, P.O. Box 37127, Washington, D.C. 20013-7127. This publication is not copyrighted and can be reproduced without penalty. Normal procedures for credit to the author and the National Park Service are appreciated.

The author, Sharon C. Park, Senior Historical Architect, Preservation Assistance Division, National Park Service, would like to acknowledge the assistance of the following individuals in the preparation and review of this publication: H. Ward Judd served as the technical editor and assisted with producing the Preservation Brief. In addition the following persons have provided invaluable information and illustrations: Ernest A. Conrad, PE, Doug Hicke, NPS Williamsport Preservation Training Center; Thomas C. Taylor, Colonial Williamsburg; Karen Gordon, Seattle Urban Conservation Office; Kevin B. Shroyer, Seattle Department of Parks and Recreation; Michael Mills, AIA; Christine Henry, architect; Mary Beth Hirsch, Ohio Historical Society. Thanks also to Preservation Assistance Division staff members Michael J. Auer, Anna E. Grimes, Kay D. Wexler, Timothy A. Bushner, and Jan Taves, and to the numerous staff members of the NPS Regional offices who submitted comments.

All photographs and drawings are by the author unless otherwise noted.

Cover photograph: Mothballing of this historic house involved a new nonbreath roof covering over the historic roof and slatted window covers for security and ventilation. Photo: Williamsport Preservation Training Center, NPS.

ISSN: 0885-7016
September 1993



Figure 27. This residential building blends into its neighborhood even though all the windows have been covered over and the front steps are missing. The grounds are maintained and the special attention to decoratively protecting the window panels shows that the property is being well cared for until it can be rehabilitated. Photo: Ohio Historical Society.

Further Reading

- Cotton, J. Randall. "Mothballing Buildings." *The Old House Journal*, July/August, 1993.
- Fisher, Charles E. and Thomas A. Vitanza. "Temporary Window Vents in Unoccupied Historic Buildings." Preservation Tech Note (Windows, No. 10). Washington, DC: National Park Service, 1985.
- Frazier Associates. "Mothballing Historic Buildings." Preserving Prince William, 2. County of Prince William, VA, 1990.
- Michell, Eleanor. *Emergency Repairs for Historic Buildings*. London: Butterworth Architecture, 1988.
- "Mothballing Vacant Buildings." *An Anti-Arson Kit for Preservation and Neighborhood Action*. Washington, DC: Federal Emergency Management Agency, 1982.
- Nelson, Lee H. *Preservation Brief 17. Architectural Character: Identifying the Visual Aspects of Historic Buildings as an Aid to Preserving Their Character*. Washington, DC: Government Printing Office, 1988.
- Solon, Thomas E. "Security Panels for the Foster-Armstrong House." *Association for Preservation Technology Bulletin*, Vol. XVI no. 3 & 4, 1984. (note the design of the panels, but be aware that additional louvering may be needed on other projects).

- Disconnecting all utilities;
- Fencing and installing sidewalk bridging;
- Installing interior and exterior lighting where necessary (solar); and
- Providing security measures as necessary.

Unfortunately, the suggested repairs and mitigation actions are costly, and acknowledging that funds are limited to do the suggested work, the panel recommends a scoring system be implemented to prioritize which buildings the community has chosen to receive the interim protection measures to save them for future partial or total development. Local experts (PDD; City of Detroit Building, Safety Engineering and Environmental Department, or BSEED; Detroit Fire Department) and the community should convene to establish the criteria for the scoring system, so all parties agree on how the properties will be graded, and corresponding investment will be made based upon the scoring system created.

A decision matrix should include the following important elements:

- Heritage value;
- Community value or champion;
- Proximity to commercial corridor;
- Potential impact to commercial corridor;
- Structural integrity;
- Potential use identified;
- Flexibility of floor plans;
- Ease of partial use;
- Complexity of finishes (i.e., cost);
- Access to utilities; and
- Financing opportunities.

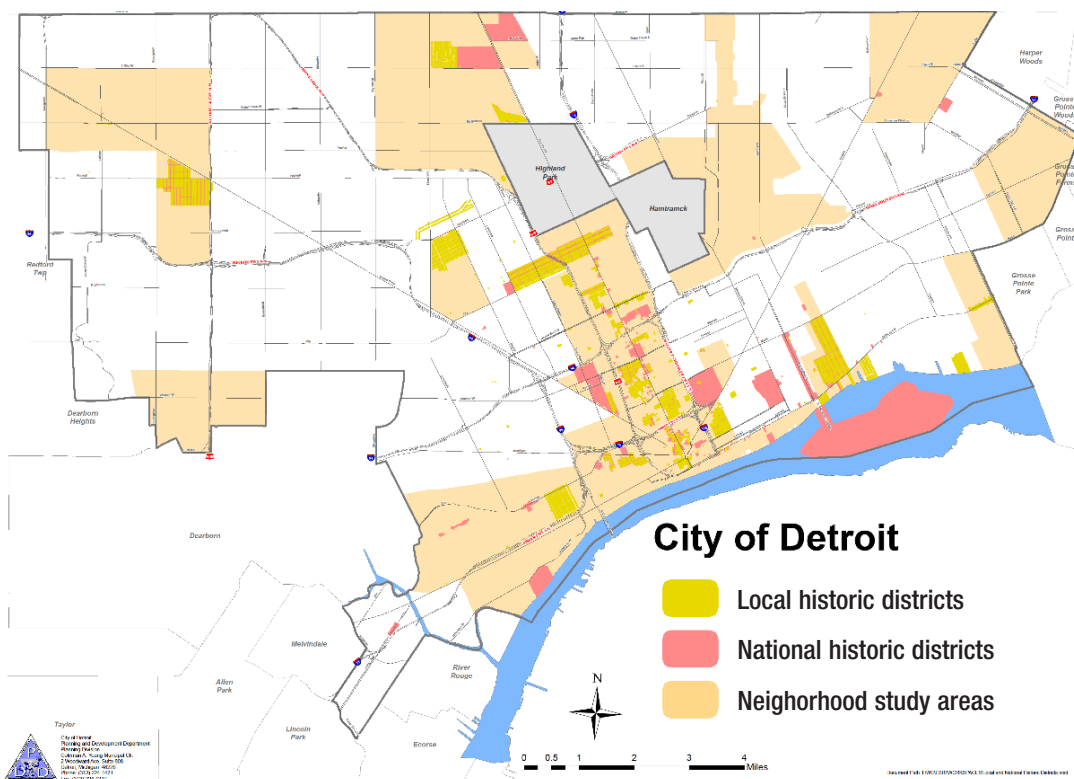
Using a Tactical Preservation Decision Matrix

Because the intact building stock of Detroit has a high probability of being more than 50 years old, all plans to revitalize the commercial corridors might be assumed to embrace a Main Street approach of preservation-based economic development. This is not overtly stated in the three Neighborhood Framework Plans completed to date. Tactical preservation will provide an overlay that enhances proposed development while protecting the physical heritage that will only become more emotionally and economically valuable with time. The panel recommends that tactical preservation be integrated into the design section of existing and new Neighborhood Framework Plans of all commercial corridor studies going forward.

Identifying the initial properties that can be successful demonstrations of tactical preservation can benefit from and build on existing inventories that document heritage value and may allow financing to use historic tax credits. These inventories include national and city historic districts.

Understanding the total need for adaptive use of buildings is important. At the national level, 137 properties and districts in Detroit outside of downtown and Midtown are listed on the National Register of Historic Places, including five National Historic Landmarks and one property straddling the border with River Rouge, Michigan. In addition to the listed properties, the city has completed multiproperty nominations for the National Register for schools, banks, and apartment buildings that are available from the PDD. Citywide, 138 local historic districts exist, which range from single buildings to multi-acre districts. This information can be accessed through the city of Detroit's Open Data Portal.

Beyond these lists, a quick sorting of buildings by typology may also facilitate identifying achievable projects that support improved commercial corridors. Achievable projects are not likely to be the buildings in greatest danger of being lost. In the evaluation matrix, properly weighing the heritage value and community support for a project, which



A map of local and national historic districts as well as the neighborhood planning or framework districts.

may shift the selection criteria away from pragmatics, will be important.

Banks are most likely to have been relatively well maintained until vacancy and might offer the best opportunity for immediate reuse of ground-floor spaces. Although decorative, the building form is typically relatively simple, and securing the roofs is less complicated than for other building types. Banks could be a targeted subset within the tactical preservation initiative that effectively demonstrates the viability of the program and benefits from the completed multiproperty nomination to use historic tax credits.

Theaters are often the emotional heart of a neighborhood or Main Street; however, they are likely to be very deteriorated, and the cost of restoration high. Securing the buildings to avoid additional deterioration is a high priority to ensure future redevelopment.

Religious buildings tend to be visual place makers because of steeples, form, and iconology, and like banks, they are often located on corner lots, thereby adding to their impact. Unfortunately, deferred maintenance will be high, and the elaborate exteriors not only make restoration costs high, but also make securing the exterior roofs very costly.

Armories are often tough to reuse because although the typology has large open interior spaces, these may come with very few window openings.

Schools and recreation centers are likely not to be close to the Main Street and suffer from being large, with a probability of deferred maintenance and access issues. They are also difficult to secure and have anecdotally been repeatedly vandalized. Like banks, schools should be considered a subset of tactical preservation through the new study being undertaken by the PDD. Prioritizing the 48 schools owned by the city of Detroit to determine which have the best chances of being adaptively used in whole or in part, physically and economically, will be essential.

Rating a Building with a Decision Matrix

To demonstrate how the decision matrix would be used, the panel rated a building in the Southwest Detroit neighborhood. This former bank building is a good example of how a building could be rated and compared with other buildings evaluated across the city. Using this tool will enable data-driven decisions in identifying target buildings for tactical preservation.



Tactical Preservation Decision Matrix

Metrics	Value (0–10)
Heritage value	4
Community value	8
Proximity to corridor	10
Impact to corridor	10
Structural integrity	1
Potential use known	0
Floor plan aligns with use	0
Ease of partial use	8
Level of finishes	3
Utility access	8
Financing	1
Total	53

Note: Panel-determined rating for illustrative purposes. This should not be used for decisions.

Financing Tactical Preservation

Tactical preservation is significantly different from a conventional preservation project in which traditionally an entire structure is rehabilitated at once or in closely timed phases. Because of the generally small sizes of the proposed tactical projects, they are actually the inverse of traditional projects. Since the ratio of construction and costs of construction are inverse, these projects will present unique challenges for those trying to finance these relatively small dollar amount projects that will leave large portions of the facilities in which they exist unimproved, with the vast majority of the structure suffering a variety of structural, fire safety, weather infiltration, and other liabilities that would normally be rectified in a traditional preservation project.

The panel communicated with several banks and Community Development Financial Institutions (CDFIs) about financing these unorthodox projects. Unfortunately, all of those interviewed stated that the inverse nature of these transactions prohibits them from participating in the

financing. In an effort to create a tool to finance tactical preservation, ULI's panel proposes the following:

- Create a loan guarantee program financed by philanthropic funds or a combination of philanthropic and municipal funds that will guarantee CDFI loans and allow a CDFI to participate in these nontraditional transactions.
- Encourage existing CDFIs to develop an expertise in this new arena through the loan guarantee or encourage the creation of a new CDFI with the sole purpose of lending to rehabilitation projects, including tactical preservation projects.
- Develop a tactical preservation financing handbook so prospective project developers can understand the variety of factors that go into being approved for such a loan. Outlining an applicant's development experience, equity requirements, collateral requirements, and project requirements, among other criteria, in the handbook will go a long way to streamline the process for prospective applicants of the specialty funding product.

The development of a specialty financing product is critical for the success of tactical preservation. These types of projects are the inverse of traditional preservation projects and therefore not attractive to traditional financiers. Moreover, because of the relatively small physical size, timing, relatively small dollar amount, and nontraditional nature of these projects, many will not be eligible for typical rehab tools, such as historic rehabilitation tax credits, New Markets Tax Credits, and other tax credit vehicles.

Lenders and Appraisals

Obtaining market-rate construction and permanent financing has been identified as a noteworthy challenge for the tactical preservation program. In particular, the extremely low appraisal values of many of the properties in question make traditional debt financing virtually impossible.

Among the first steps the city of Detroit should take is to reach out to regional and national lenders, as well as the appraisal community, to educate them about the redevelopment efforts that are underway in Detroit generally and about tactical preservation in particular. A willing financial partner will need to fully understand the investment potential of preservation projects, as well as the benefit to surrounding property values. Ideally, the city should seek to build relationships with one or more banking institutions that not only will provide funding for the tactical preservation program but also will engage directly in Detroit's neighborhoods by opening bank branches that provide convenient banking services to the community's residents and support small business and homeownership through equitable lending practices. Developing an opportunity fund prospectus may make sense at this point.

Unfortunately, good intentions may not be sufficient to entice an institutional lender to participate in restoration projects. Until property values stabilize sufficiently to support traditional financing, the city of Detroit may need to offer additional incentives to lenders. For example, Detroit should consider sponsoring (or convincing its philanthropic benefactors to sponsor) a loan guaranty program that

The Power of Condominiums

The condominium form of property ownership can provide a powerful tool for the city of Detroit's tactical preservation program. While familiar to most people in the residential context, condominiums are also widely used in commercial real estate developments to facilitate separate ownership and financing of various parts of a project.

Although condominium statutes vary from state to state, typically the owner of the property in question creates the condominium by filing a master deed, declaration of condominium, or similar instrument (depending on state law). This filing creates as many units of the condominium as the creator wishes to form. Each condominium unit is a separate tax parcel that can be conveyed by deed just like a subdivided parcel of land. Common facilities such as structural elements of the building, common utility lines, and shared recreational facilities (e.g., swimming pools, fitness centers, and the like) become common elements of the condominium, which are administered by a condominium association and shared by all unit owners.

Because many of the properties that are the subject of the tactical preservation program are currently owned by the city, the city may want to consider forming a separate nonprofit entity to serve as the creator of the condominium and oversee the condominium association.

In the context of tactical preservation, the condominium structure can be used to activate strategic portions of larger properties. For example, if a 100,000-square-foot building has a user seeking just 5,000 square feet, a condominium could be used to create a separate unit comprising the desired space, which could then be conveyed to the user. By owning its unit in fee, the user could obtain mortgage financing for the acquisition of the property and the development of the project. Similarly, the unit could be insured separately from the rest of the building, be issued a separate certificate of occupancy, and contract for its own utility services.

would backstop commercial lenders. Such a guaranty program could make institutional financing available where previously it was not.

Insurance

Returning identified properties to active use will require appropriate insurance coverages. Insurance can generally be broken down into two categories—liability coverage and property coverage. Liability insurance protects the owner, the tenant, or both, from liability arising from harm to persons or property (e.g., a “slip and fall”). Property insurance insures the owner in the event that fire or other casualty damages or destroys the property.

The vacant nature of the properties in question, as well as varying densities in population, partial occupancy, segmented code compliance, and the level of neighborhood activity may make obtaining affordable insurance for the project a challenge. Several programs could be implemented to help ameliorate this problem.

First, to the extent target properties are owned by the city of Detroit, the city’s risk management resources can be extended to include property and liability insurance for the selected property. Providing umbrella coverage is likely to be the most affordable way to obtain the necessary coverage. For properties that are not owned by the city, owners and tenants will need to coordinate with the city’s efforts to reach out to potential insurers to find willing partners that are prepared to step into the void.

Implementing Tactical Preservation

DETROIT IS BLESSED WITH MANY committed and energized partners in its neighborhoods, community development and financing organizations, Mayor Duggan's administration, and the Detroit City Council. The buzz surrounding Detroit's investments and initiatives is spreading, and longtime Detroiters who have continuously supported their communities are beginning to see the policy shift from a demolition-based strategy to a community preservation strategy.

With many existing programs, such as Motor City Match and the SNF, and philanthropic institutions actively engaged in the city, directing resources and attention to opportunities for tactical preservation should come about quite quickly.

A task force staffed with passionate and knowledgeable stakeholders who are their respective agency's project champions should be convened to undertake and manage

project execution. The PDD is the natural convener to take the lead on this task force, "owning" its formation, effectiveness, and outcomes. Concurrently, district planners should be tasked as community planners and act as liaisons of the program to the selected neighborhoods. The very first task of these community planners should be to identify potential project champions who are local and community based. Cultivating these community champions must be an inclusive process that considers capacity, longevity, and the potential champion's credibility in the community.

The importance of these project champions cannot be overstated. The PDD's task force formation should include decision-makers from the agencies and organizations listed in the table on page 32. As programs and needs change, this list should be kept up to date, and the task

Community Engagement

Community engagement is an important part of community planning. It is used to form the community's vision and build a coalition to support it. However, a comprehensive community engagement process may not be effective for every decision. In these instances, the panel suggests turning to selected community members, trusted advisers, or an elected board or committee for input and decision-making. Evaluating assumptions about what is needed and spending time fostering one-on-one connections is important in building coalitions and trust.

Community engagement is effective when at least one of the following is true:

- The community feels strongly that action is needed.
- Collective intelligence is called for.
- Big-picture thinking is needed: Who is the district? What is important? Where would the district like to go, and how does it get there?

- Some community constituencies have not been engaged in past processes or are being hurt by past efforts.
- A common goal, project, or plans exist, but groups are working in silos to achieve it.

Community engagement is not effective when the following conditions occur:

- Granular thinking is needed with decisions about details.
- Engagement would be a political tool to support a direction that has already been determined.
- A decision must be made quickly.
- Energy is lacking for making change.

Tactical Preservation Task Force Members

Entity	Responsibility
PDD leadership	Convenes and owns the task force and program
Community/district planner(s)	Work with each of the 10 designated communities to identify the candidate projects and prepare the project applications for acceptance into the tactical preservation program
Community champion(s)	Work with community planners to identify and champion specific local projects, uses, and entrepreneurs or local business owners; help mobilize community resources in support of the project
Historic District Commission (under the PDD)	Enables facade modifications that honor the historic integrity of the building while permitting modifications necessary to support innovative activation
Department of Neighborhoods	Assists the community planner and community champion to identify the revitalization potential and tools as well as city agency resources to support redevelopment
Detroit Building Authority	Expedites the disposition of city-owned properties for redevelopment
Detroit Fire Department, Fire Marshal Division	Ensures adequate life safety reviews are conducted and balanced with the need to place these buildings into productive reuse; eases assembly and event permitting for special events in these communities
Buildings, Safety Engineering, and Environmental Department (BSEED)	Enables redevelopment of community assets with maximum flexibility to place buildings in service at the lowest cost while respecting life safety, including the following: <ul style="list-style-type: none"> ■ Plan reviewers who help facilitate understanding, use, and adoption of the <i>2015 Michigan Rehabilitation Code for Existing Buildings</i>; ■ Inspectors on the ground who have complete understanding of the 2015 law and how to enable compliance in site-specific circumstances; ■ Code enforcement applied with maximum flexibility
Motor City Match	Acts as the portal through which entrepreneurs indicate interest in a specific site or community; the portal should be enhanced to specifically identify and highlight the tactical preservation opportunities
Strategic Neighborhood Fund	Sets aside specific funds for each preservation target that can be used for development costs, including predevelopment costs
City Planning Commission and Historic Designation Advisory Board	Support the tactical preservation program by expediting enabling legislation and amendments to support the program's objectives
Detroit Water and Sewerage Department	Assists development of the asset by locating and determining necessary improvements that may require lateral taps, vaults, and meters for the wet utilities (water, sanitary, and stormwater)
Detroit Public Works	Coordinates and may construct curb cuts, curb and gutter, sidewalk, street repairs, and right-of-way permitting during construction

Sources: Bureau of Labor Statistics; Brookings Institution; Moody's Analytics; ULI.

force itself should resist becoming stale over the course of the 18-month project.

Elected leaders are vital champions for the success of the program. Obtaining legislative support for zoning and building code modifications as well as advocating for state and federal grants are specific roles for these key leaders. With deep connections in the selected communities, elected representatives can provide insight, leadership, and convening powers to rally support for projects and the new businesses and investments.

The task force should establish criteria for evaluating the viability of redevelopment of the specific community asset to be considered (e.g., a tactical preservation decision model). This should include considerations such as location, condition of the structure and the ability to stabilize it, potential uses (including partial reuse and its relative cost), availability of utilities or their temporary provision, and strength of the community champion and any potential impacts to the community.

Once the community champion and community planner have identified a candidate project, a proposal for acceptance into the tactical preservation program should be completed. The proposal should demonstrate the project meets criteria established by the task force. The evaluation process would benefit from having key task force members participate in the development of the proposal to ensure a sufficient level of feasibility has been determined.

Legislative and Regulatory Considerations

Over the course of program development, modification of certain existing zoning or building code provisions may be necessary. Modifications to the building code should always ensure that no unintended consequences will occur to life-safety provisions. In the case of zoning, conditions or community agreements may prevent potential nuisance issues as new uses are introduced into communities. For example, live performances may be limited to specific hours.

Following are general types of legislative or regulatory modifications to consider:

- Land use overlay districts that facilitate form-based zoning (mixed use) and innovative reuse;
- Reduced or modified parking requirements that consider the available on-street parking, shared-use strategies, the community's mode split, the nature of the expected patrons, and potential unused lots that may be accessed for event parking;
- Building code modifications that respect life-safety requirements while similarly considering the portion of the building that is occupied, the nature of the activity, and egress requirements;
- Building code and utility connection requirements that will allow temporary utilities and sizing for the occupied area (not the whole the site), including possibly prepackaging temporary services for power, water, and sanitary as would be acceptable for a construction site or special event;
- Quick-connect permitting or quick-connect agreement with DTE Energy to ensure power in a time frame that does not jeopardize the transaction;
- Environmental remediation code modifications to enable mitigation in only the occupied spaces and other locations with the realistic potential for exposure; and
- Extension of temporary occupancy permits for a duration allowing tenant improvement costs to be amortized or recouped.

Although the *2015 Michigan Rehabilitation Code for Existing Buildings* appears to facilitate the partial adaptive use of buildings, it is not clearly understood or used by the community. A plain-language guidance document would be helpful.

Implementation Plan

The panel identified a three-, six-, and 18-month implementation plan for the PDD to implement tactical preservation. This plan is intended to begin immediately and be repeated citywide.

Implementation Plan

0–3 months	Commit to tactical preservation as a community development and preservation strategy.
	Identify PDD leadership and community planners who will champion and lead the program.
	Form tactical preservation task force, and commit to cadence of meetings and progress plan.
	Community planners identify community champions and begin trust building.
	Educate internal partnering councils, commission, and agencies on the tactical preservation program.
	Work with risk management in Controller’s Office to identify insurance structures or products.
	Confirm and recruit external “tools,” such as financing programs, traditional lenders, CDFIs, insurance underwriters, property appraisers, faith-based programs, DTE Energy, city-based contractors and subcontractors, workforce development programs, pro bono attorneys, and unions.
	Incorporate tactical preservation plan into existing Neighborhood Plans and the plans already underway.
	Begin identification of at least one asset in each of the selected communities.
	Identify necessary legislative and regulatory modifications; draft amendments (with sunset provisions, if necessary); draft zoning overlay district maps; identify and recruit potential bill sponsors for early input.
3–6 months	Commence program outline with DTE Energy for quick connect.
	Complete community plans underway; commence next wave of plans.
	Identify at least one asset targeted for tactical preservation in each selected neighborhood.
	Confirm a community champion for each identified asset.
	Draft initial proposals for tactical preservation assets, identifying necessary internal and external tools and stakeholders, and preliminary project plan (scope, schedule, budget).
	Discover legal status of asset; commence clearing any title issues.
	Align potential redevelopment programs with viable and accessible financial tools.
6–12 months	Introduce legislative and regulatory amendments.
	Actively recruit project sponsors such as small developers, large developers, potential entrepreneurs, and existing small business owners; get early input on viability; draft letters of intent.
	Task force confirms and awards initial proposals with each task force member’s commitment to provide specific information and assistance.
	At the time of the initial task force awards, up to three projects may be selected to receive funds using the \$25,000 Preston Butcher’s ULI seed grant.
	Commence asset disposition negotiation (contingent on title, if necessary); incorporate a “use it or lose it” provision, agreed scope, schedule, and budget; provide for clawback in the event of nonperformance.
	Begin predevelopment funding with proviso that PDD (or disposition authority) owns third-party reports and work product (necessary in the event the end user fails to proceed on timely basis).
	Insure the assets via umbrella policy, city self-insure, or subsidized private market insurance.
	Contract for immediate asset stabilization.
	Verify project sponsor is on track, keeping to schedule, on monthly basis.
	Verify financing stack; prepare to close first tranche of transactions.
12–18 months	Verify any legislative and regulatory modifications have been adopted, enabling permitting and financing for candidate projects.
	Second wave of plans is completed, including identifying next wave of assets and community champions.
	Second wave of proposals works through task force structure.
	First tranche of transactions close; begin construction.
	Second wave of proposals is awarded by task force.
Third wave of assets and community champions are identified.	

Source: ULI.

Conclusion

THIS REPORT RECOMMENDS a collaborative process and tools that the city of Detroit, the Detroit community, and institutional partners can use to quickly and effectively carry out the PDD's tactical preservation strategy. Tying historic preservation efforts to other infrastructure and economic development initiatives creates an opportunity to achieve the kind of success needed to advance revitalization of neighborhoods across the city of Detroit. This approach will not always be easy, but the panel does view it as an effective way to address the vast challenges facing both the city of Detroit and its residents. Done right, tactical preservation can be a model for equitable and inclusive growth and conserve and adaptively use the city's most abundant resource of old building stock.

The panel's intent is for building preservation to become a central part of a "virtuous cycle" of neighborhood revitalization that can easily be replicated across the city of Detroit as envisioned by the PDD. Hopefully, this report answers several remaining questions regarding the partial adaptive use strategy for vacant buildings for the city to move those buildings to occupancy and spur further development. But the city, through the PDD, first needs to demonstrate success in a targeted way to prove this idea.

About the Panel

Michael Stern

*Panel Chair
Jackson, Wyoming*

Stern is an independent urban and landscape design consultant, guided by the mission of creating compelling places for people's everyday lives. Working collaboratively with other design firms and public and private clients, he brings a broad outlook and extensive experience to each design or planning assignment.

Before establishing MAS Places in 2017, he was a founding principal of Strada, a cross-disciplinary design firm in Pittsburgh and Philadelphia, Pennsylvania. Stern led the firm's urban design and landscape architecture efforts, working closely with architects and designers on projects from riverfront parks to district master plans. Before founding Strada, he was involved in many of Pittsburgh's major urban design and planning efforts. He led the Pittsburgh Downtown Plan, the first comprehensive master plan for the greater downtown area in 35 years, and the Pittsburgh Regional Parks Master Plan; these documents are still touchstones for planning in that city, years after their completion.

A native New Yorker, Stern had professional experience in the New York firms of Cooper, Robertson & Partners and Quennell Rothchild & Partners that gave him broad training in the various aspects of planning, design, and construction of private and public urban precincts and landscapes. His subsequent teaching and research while a full-time faculty member at the University of Virginia School of Architecture focused on understanding the changing nature of urban form and organization in the face of new technologies and economies.

Stern has lectured widely, and he has published and edited numerous articles and journals on planning, urban design, and landscape design theory. He is an active member of the Urban Land Institute and has participated in numerous Advisory Services panels across the country. He holds a BA in anthropology from Grinnell College and a master of landscape architecture from the Harvard Graduate School of Design.

Dionne Baux

Chicago, Illinois

As director of urban programs, Baux leads the initiative to broaden Main Street America's offerings and engagement in urban neighborhood commercial districts. She has over a decade of experience in project coordination in the fields of urban economic development and commercial district revitalization. She has extensive expertise engaging community stakeholders, identifying and implementing projects in conjunction with community-based organizations, government institutions, and real estate development, as well as supporting capacity-building opportunities.

Before joining Main Street America in 2016, Baux served as senior program officer for Local Initiatives Support Corporation (LISC) Chicago, where she managed economic development initiatives for the Chicago office and developed and led the award-winning Business District Leadership program and the nationally recognized Smart Communities demonstration. Before LISC Chicago, Baux served as a financial planning analyst for the city of Chicago's Department of Community Development, where she administered rehabilitation grant programs to eligible Chicago residents and small business owners.

Baux holds a master's degree in public administration from Roosevelt University and a bachelor's degree in communications from the University of Illinois at Chicago.

Jean Carroon

Boston, Massachusetts

Carroon leads Goody Clancy's preservation practice, focusing on the opportunities inherent in the stewardship and creative reuse of existing buildings to create a healthy resilient world. She leads a team dedicated to helping clients and the public connect historic legacies to current realities and future possibilities. Her approach combines a mastery of history and building technology with a commitment to transforming places—redefining their relevance, utility, and flexibility while sustaining and enhancing essential beauty and value. Carroon has been responsible for the restoration or adaptive use of a dozen National Historic Landmark buildings. Her book *Sustainable Preservation: Greening Existing Buildings* was published by Wiley in 2010.

She is a frequent speaker, teacher, and advocate for creative building reuse and preservation. In 2014, the U.S. Green Building Council named her a LEED Fellow, reflecting her achievements as a LEED professional as well as her contributions to the green building community. Her work and strong advocacy for creative preservation has been recognized through numerous awards, including the Clem Labine Award from *Traditional Building*, the Distinguished Artist Award from the St. Botolph Club Foundation, and the Paul E. Tsongas Profiles in Preservation Award from Preservation Massachusetts. She has served as chair of the National AIA Historic Resources Advisory Group.

Carroon's current work includes reuse of historic buildings at the historic St. Elizabeth's campus in Washington, D.C., for the U.S. Department of Homeland Security, and for the State of Vermont offices in Waterbury, and ongoing work at Trinity Church in the city of Boston.

Brian Coleman

Brooklyn, New York

Coleman serves as the chief executive officer of the Greenpoint Manufacturing & Design Center (GMDC) and its related companies in Brooklyn, New York. GMDC creates and sustains viable manufacturing sectors in urban neighborhoods through planning, developing, and managing real estate and offering other related services. Since 1992 GMDC has developed over 700,000 square feet of industrial space and currently has 120 tenants with over 600 employees. Coleman joined GMDC in 2003 after 16 years of experience in economic development; commercial, industrial, and residential development; and property management in New York City and New Jersey.

In 2015 Coleman and his team completed a \$14.6 million development project using New Markets Tax Credits to convert a former 50,000-square-foot warehouse located in central Brooklyn into a multi-user manufacturing facility. The facility was fully leased four months after opening with 10 businesses who employ more than 70 people.

Currently, GMDC is working on an 88,000-square-foot \$41 million project in Ozone Park, Queens, New York, that was a former bicycle factory. By using new markets and historic tax credits the site will be transformed into a multitenanted manufacturing facility that will be home to 100 living-wage jobs when it is completed in the spring of 2019.

GMDC has worked with a variety of clients to replicate its model in a number of locations, including Hoboken, New Jersey; Philadelphia, Pennsylvania; St. Paul, Minnesota; and San Francisco, California.

Caroline Paff

Baltimore, Maryland

Paff has 20 years of experience representing large-scale projects, developers, business owners, and investors through planning, entitlement, and development. Often

recruited for work on master plans and challenging transportation, zoning, or financing projects, Paff works with property owners, investors, and developers to assemble and manage project teams on the leading edge of innovation and urban redevelopment.

Previously, Paff was vice president of Sagamore Development Company, managing the master planning and infrastructure team and processes responsible for securing master plan approvals for 45 city blocks, more than 40 acres of parks, by-right zoning for 18-plus million square feet of mixed-use development in the Port Covington project, and legislative approvals for more than \$690 million of public financing.

Over two decades, Paff has enjoyed many opportunities to work with communities, property owners, and developers to spur responsible investment, bringing moth-balled sites into productive reuse and providing employment and amenities for communities in the mid-Atlantic. Her development career began in the historic Mt. Vernon community of Baltimore City as a volunteer on a community redevelopment plan and quickly led to managing a team for an award-winning certified historic rehabilitation in the heart of Baltimore's central business district. Currently, she is leading the team updating a 15-year-old master plan in a section of Baltimore's historic Mill Valley.

Paff received Project Management Professional certification and has experience managing teams ranging in size from two to 250 professionals and projects of all sizes and complexities.

Karmi Palafox

Makati City, Philippines

Palafox is a leader in town planning and design, land use policy, and property advisory with over 15 years of experience across the Philippines and internationally. She has been involved in the planning and development of communities, resorts, new townships, infrastructure, parks and open spaces, and tourist destinations such as Pala-

wan and Siargao. Notable works include land use plans for cities and rural towns, post-crisis and post-disaster rehabilitation in places like Marawi and Zamboanga, and redevelopment plans for military bases such as Clark. Having served as managing partner and team leader of one of the top-ranked planning and architecture firms in Asia, Palafox has led and mentored more than 100 professionals and steered the company's strategic growth.

She has served as director and as vice president of the professional organization of planners in the Philippines, the PIEP, and is a Chartered Member of the Royal Town Planning Institute in the UK. In 2014, ULI named Palafox as one of the top young land use professionals around the world in its inaugural list of 40 Under 40. She was a member of international ULI advisory panels in China. She is also a consultant to the Philippine Senate's Committee Chairman on Housing and Land Use and has moderated discussions on proposed national land use laws.

Palafox is a sought-after speaker on issues related to urban planning, housing, real estate, transport and mobility, and the environment. She has contributed several articles to magazines and national dailies and has given lectures on environmental planning.

She earned her master's in urban planning at Oxford Brookes University and her master's in economics at the University of Asia and the Pacific. She has also been educated in IESE Barcelona, Said Business School, University of Oxford, and the Weitz Center in Israel.

Robert Peck

Washington, D.C.

Peck brings tremendous professional experience and industry expertise to his dual roles as a government and defense leader and the Southeast region director of consulting as a Gensler principal.

He served for eight years as commissioner of the U.S. General Services Administration's Public Buildings Service, responsible for design, construction, leasing, and manage-

ment for more than 375 million square feet of space housing more than 1.1 million employees with an annual budget of more than \$9 billion.

He has been a land use attorney, commercial real estate mortgage banker, and broker, and he has also served as president of the Greater Washington Board of Trade and vice president for public affairs at the American Institute of Architects (AIA).

He received his BA cum laude with distinction in economics from the University of Pennsylvania and his JD from Yale Law School. He has been a visiting Loeb Fellow at Harvard University's Graduate School of Design and a visiting lecturer at Yale College. An honorary member of both the AIA and American Society of Landscape Architects, in 2012 Peck received the AIA Thomas Jefferson Award for Public Architecture.

Adam Silverman

Philadelphia, Pennsylvania

Silverman is an attorney who concentrates his practice in the area of commercial real estate, mixed-use development, and related transactions. He has represented a variety of regional and national developers (including several real estate investment trusts) in a wide array of matters, handling the development of high-rise office towers, shopping centers, warehouses, and mixed-use developments, as well as portfolio acquisitions, joint ventures, and merger transactions. He also represents lenders (including banks, pension funds, insurance companies, and private equity funds) and borrowers in matters ranging from structured project finance to secured and securitized loan transactions. He represents landlords and tenants in office, retail, and industrial leasing transactions, including complex build-to-suit transactions.

A member of the American Bar Association, the Philadelphia Bar Association, and the Urban Land Institute, Silverman is vice chair of the Montgomery County Industrial Development Authority and a member of the Montgomery County Commerce Cabinet, which advises the Mont-

gomery County Commissioners on matters of economic development. He is also the president of the Cheltenham Township Community Development Corporation and sits on the Board of Governors of the Achieving Independence Center (a program for youth transitioning out of the foster care system that is administered by Valley Youth House). Silverman was also one of the founding board members of CreekSide Co-op, a community-owned food co-op located in Elkins Park, Pennsylvania.

Silverman earned his undergraduate degree from George Washington University. He earned his law degree from Temple University School of Law, where he was the recipient of the Reber Award for excellence in writing for the *Temple Law Review*. Following law school, Silverman served as a law clerk for the Honorable Phyllis Beck, Superior Court of Pennsylvania, and the Honorable John Padova, U.S. District Court for the Eastern District of Pennsylvania.

Ernst Valery

Baltimore, Maryland

Valery is managing member and president of SAA | EVI and shares overall responsibility for the day-to-day operations and execution of SAA | EVI projects and relationships. He has successfully invested in and developed real estate in Maryland; Washington, D.C.; Pennsylvania; Virginia; California; and New York. For the past 16 years, he has been involved with development projects ranging from mixed-use, multitenant rental properties to single-family renovations and condominium conversions.

Valery is the founder and president of SAA | EVI affiliate Ernst Valery Investments Corp. (EVI), a private, minority-owned real estate investment firm established in 2001. EVI invests in select underserved and undervalued key emerging domestic real estate markets, defined as urban transitional areas with high residential and retail demand. Valery has extensive experience in affordable and market-rate housing development and investment, including providing due diligence capabilities and extensive skills in budget planning, design development, marketing, and the

supervision and guidance of contractors, architects and engineers. He is responsible for the securing and structuring of financing, including expertise in securing historic and New Markets Tax Credits.

Also active in social entrepreneurship and volunteer work, Valery collaborates with a team of professionals and graduates from the Massachusetts Institute of Technology Community Innovators Lab (MIT CoLab) to address housing finance needs in Port-Au-Prince, Haiti, as well as efforts at incubating businesses around the world that help alleviate poverty and increase the earning potential of low income individuals, families, and communities.

Valery graduated from Columbia University's MS program in real estate development. He also obtained a master's degree in policy analysis and public administration and a BS in urban and regional planning with a concentration in international relations, both from Cornell University. He is also a Mel King Community Fellow at MIT's CoLab.

A ULI Advisory Services Panel Report



2001 L Street, NW
Suite 200
Washington, DC 20036-4948

♻️ Printed on recycled paper.