Red Fields to Green Fields: How Parks Can Help Solve the Urban Real Estate Crisis

Wilmington Case Study

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Wilmington, DE
Wilmington was founded in 1638 and is Delaware’s largest city (pop. 86,000).

Its strongest communities are anchored by extensive open space.
Neighborhoods like the West Side lack proximity to open space, which is mostly concentrated along the city’s rivers.
In the weakest sections of the city, a deteriorating real-estate market has impacted residential areas...

![Homes: Average Value](chart1)

![Homes: Percent Vacant](chart2)

Source: ACS 2008
and commercial districts.

DE Retail Vacant SF

Source: CoStar 2010
Housing reinvestment efforts have been extensive and have stabilized portions of the Wilmington’s West Side...
but a concentration of vacant properties still exists, particularly along West Side commercial corridors.
Dynamics of A Weak Real-Estate Market

The West Side’s southeast quadrant has a high proportion of vacant and foreclosed homes compared to the city as a whole.

<table>
<thead>
<tr>
<th></th>
<th>City of Wilmington</th>
<th>Wilmington's West Side</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Percent</td>
</tr>
<tr>
<td>Total Properties</td>
<td>34,569</td>
<td>3.3%</td>
</tr>
<tr>
<td>Vacant</td>
<td>1,149</td>
<td>3.3%</td>
</tr>
<tr>
<td>For Sale</td>
<td>n.a.</td>
<td>n.a.</td>
</tr>
<tr>
<td>Foreclosed in 2009</td>
<td>327</td>
<td>0.9%</td>
</tr>
<tr>
<td>Total*</td>
<td>n.a.</td>
<td>n.a.</td>
</tr>
</tbody>
</table>

Properties for sale in the southeast quadrant are worth 50% less than West Side properties not in this quadrant.

Among For-Sale properties in the southeast quadrant, vacant properties are worth 30% less than occupied properties.

<table>
<thead>
<tr>
<th></th>
<th>Number</th>
<th>Average Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>West Side For Sale Properties</td>
<td>128</td>
<td>$159,093</td>
</tr>
<tr>
<td>In Southeast Quadrant</td>
<td>69</td>
<td>$105,217</td>
</tr>
<tr>
<td>Not in Southeast Quadrant</td>
<td>59</td>
<td>$222,100</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Number</th>
<th>Average Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total For Sale Properties</td>
<td>69</td>
<td>$105,217</td>
</tr>
<tr>
<td>Vacant</td>
<td>20</td>
<td>$72,000</td>
</tr>
<tr>
<td>Not Vacant</td>
<td>49</td>
<td>$105,380</td>
</tr>
</tbody>
</table>
The areas with the most vacant and foreclosed properties are the same areas that are void of open space.
Recently, some parks have been improved as part of revitalization efforts.
Some of the parks are underused...

Or simply behind closed doors.
Wilmington’s West Side continues to have one of the lowest ratios of parks to people in the country.
The West Side is on the ridge of two watersheds. Combined with significant changes in elevation, stormwater problems are focused precisely where there is almost no open space...
...and also where there is the highest concentration of youth. The result is a severe lack of open space where we need it the most.
Strategies
Target efforts where the greatest need for open space coincides with the greatest opportunities for acquisition.
Transform obsolete commercial and residential buildings...

...into community assets.
Green commercial corridors and connect residents to open space, promoting healthy communities.
4TH STREET PROPOSED

8'-0" - 12'-0"
SIDEWALK

7'-0"
PARKING

5'-0"
BIKE LANE

32'-0"
TRAVEL LANES

5'-0"
BIKE LANE

7'-0"
PARKING

8'-0" - 12'-0"
SIDEWALK

56'-0"
CARTWAY

80'-0"
RIGHT OF WAY
Utilize green anchors to attract residents, businesses, and capital.
different **SCALES**

- **SMALL**
  - SIDEWALK PLANTINGS & STREET TREES
  - LARGER SIDEWALKS & COMMERCIAL CORRIDORS
  - SMALL PARCELS & VACANT LOTS
  - SMALL POCKET PARKS
  - LARGER PARKS & PLAZAS

and **ACTIVITY LEVELS**

- **PASSIVE**
  - NATURALIZED AREAS
  - LAWNS
  - SCULPTURES
  - GARDENS
  - PARKS

- **ACTIVE**
  - FITNESS
  - SPORTS

**OPEN SPACE TYPOLOGIES**

**GREENING PLAN FOR WEST SIDE WILMINGTON**

**INTERFACE STUDIO**
majority of opportunity sites in the WEST SIDE
Acquisition Strategy and Costing

<table>
<thead>
<tr>
<th>Acquisition Strategy</th>
<th>Number</th>
<th>Area (acres)</th>
<th>Average Price Per Acre</th>
<th>Total Acquisition Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vacant Properties</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>For Sale</td>
<td>20</td>
<td>0.59</td>
<td>$2,500,000</td>
<td>$1,500,000</td>
</tr>
<tr>
<td>Bank or City-Owned</td>
<td>33</td>
<td>0.92</td>
<td>$1,250,000</td>
<td>$1,150,000</td>
</tr>
<tr>
<td>Other</td>
<td>112</td>
<td>3.63</td>
<td>$2,500,000</td>
<td>$9,000,000</td>
</tr>
<tr>
<td>Total</td>
<td>165</td>
<td>5.14</td>
<td></td>
<td>$11,650,000</td>
</tr>
</tbody>
</table>

- Acquire all 20 vacant properties (.59 acres) that are for sale at an asking price of $1,500,000.
- Acquire all 33 vacant properties (.92 acres) that are bank-owned or city-owned at a 50% discount from current prices.
- In addition, acquire half of the properties that are currently vacant but not for sale (3.63 acres) at prices comparable to today's for-sale properties.

<table>
<thead>
<tr>
<th>Estimated Project Costs</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Acquisition</td>
<td>$11,650,000</td>
<td>55%</td>
</tr>
<tr>
<td>Demolition</td>
<td>$1,980,000</td>
<td>9%</td>
</tr>
<tr>
<td>Design and Construction</td>
<td>$3,500,000</td>
<td>17%</td>
</tr>
<tr>
<td>Operations and Maintenance</td>
<td>$4,000,000</td>
<td>19%</td>
</tr>
<tr>
<td>Total</td>
<td>$21,130,000</td>
<td>100%</td>
</tr>
</tbody>
</table>
Impact

• More than double the amount of park space in the West Side’s southeast quadrant.

• Remove from the market 50% of the vacant property in the West Side, including 60% of the vacant property in the southeast quadrant.

• Put every resident of the West Side’s southeast quadrant within 500 feet of park or open space.

• Potentially increase property values by $36 million (properties in Wilmington within 500 feet of a park have an average value that is 15% higher than properties that lack such proximity).
### Strategic Next Actions

**Create a West Side Greening Collaborative**

- City of Wilmington
- Delaware Center for Horticulture
- Latin American Community Center
- Nemours Health and Prevention Services
- St. Francis Hospital
- West End Neighborhood House
- West Side Health Center
- Woodlawn Trustees

**Greening Collaborative Tasks**

- Establish land bank to facilitate property acquisition
- Coordinate park development
- Promote community engagement and park programming
- Facilitate residential and commercial development around open space