## WILMINGTON NEIGHBORHOOD CONSERVANCY LAND BANK



2023 ANNUAL REPORT

# Remarkable Growth & Meaningful Partnerships





### **Our Mission**

The mission of the Wilmington Neighborhood Conservancy Land Bank (WNCLB) is to return vacant, dilapidated, abandoned, and delinquent properties back to productive use while strengthening and revitalizing our neighborhoods and inspiring economic development.

### **Our Values**

At the Wilmington Neighborhood Conservancy Land Bank, we act in ways that are:

- Purposeful, transparent, and for the public good
- Economically efficient and sustainable
- Reflective of the goals and objectives of the City's comprehensive development plan

At all times the Wilmington Neighborhood Conservancy Land Bank acts to:

- Strengthen neighborhoods
- Improve the coordination of resources
- Increase efficiency and collaboration within and between governments,
   community organizations, and the private sector

#### Remarkable Growth & Meaningful Partnerships

WILMINGTON NEIGHBORHOOD CONSERVANCY LAND BANK 2023 ANNUAL REPORT

# Chairman Celebrates Remarkable Growth and Meaningful Partnerships

#### DEAR FRIENDS AND SUPPORTERS.

I'm excited to share with you The Land Bank's 2023 Annual Report. This year has been one of remarkable growth and meaningful partnerships as we worked to rebuild and revitalize neighborhoods across Wilmington.

In 2023, we were incredibly fortunate to have the unwavering support of key leaders who believe in our vision. U.S. Senator Chris Coons, U.S. Senator Tom Carper, and U.S. Congresswoman Lisa Blunt Rochester helped us secure a second consecutive \$3 million federal grant for our Lower Hilltop Equitable Housing Initiative. Governor John Carney, Delaware State Housing Authority



Richard J. Gessner, Jr.

Director Eugene Young, and the Delaware General Assembly backed us with \$2.1 million in state funding to support our projects. New Castle County Executive Matt Meyer and the New Castle County Council contributed \$500,000, and Wilmington Mayor Mike Purzycki, along with Wilmington City Council, continued their strong support with over \$1 million in funding. Our gratitude extends to every department in the City of Wilmington that helped us along the way.

We also received generous contributions from the Delaware business community, including Capital One, Christiana Care, JPMorgan Chase, and M&T Bank, all of whom have supported us for the past six years.

Since our founding in 2018, we've partnered with over a dozen Delaware nonprofits to create new affordable housing and improve neighborhoods throughout the city. Our collective efforts aim to serve minority communities through increased homeownership among people of color, greening vacant lots, and creating opportunities for minority contractors. We're proud to share that 85% of our affordable homes have been purchased by people of color, and 85% of our construction vendors are women and minority contractors.

In 2023, we continued our strategy of restoring Wilmington's neighborhoods, house by house, block by block, and neighborhood by neighborhood. Since 2018, with the backing of our partners, we've created 138 homes for equitable home ownership, 46 affordable rentable units and transformed 37 vacant lots into green spaces. This work has helped us make a significant impact in neighborhoods throughout the city.

As Delaware's first land bank, we've made strides in reducing blight, building new affordable homes, and providing affordable rental units. But we're aware that we're just beginning. We're committed to continuing our work in 2024 and beyond, ensuring that Wilmington's neighborhoods are vibrant, inclusive, and sustainable.

Thank you for your continued belief in our mission. Together, we're transforming Wilmington, one neighborhood at a time.

Best,

Richard J. Gessner, Jr.

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# Mayor Purzycki's East Side Initiative: Moving Forward, Improving Lives

In January 2022, Wilmington Mayor Mike Purzycki announced plans for an anticipated \$50 million residential redevelopment and stabilization plan—the most ambitious housing and neighborhood plan in the City's history.

The City's plan is backed largely with federal funds from the American Rescue Plan Act (ARPA). The total neighborhood appropriations are the largest amount of funding ever committed by Wilmington to its neighborhoods and, more importantly, to the people who live in City neighborhoods.

The Mayor's effort includes investments in new construction, full rehabilitation of existing homes, façade, systems and roof improvements for current homeowners, and the demolition of dilapidated and vacant properties. The Administration and City Council have also invested in workforce development by providing skills training and employment internships as well as community investment to assist nonprofits in restoring programming for individuals, children, and families, and to launch community-based efforts to curb gun violence.

The initial phase of this ambitious initiative is well underway on the City's historic East Side, where the Administration's neighborhood efforts have focused on an area bounded by Walnut and Church streets and from Fourth Street to 11th Street. Early physical improvements include 290 new and brighter streetlights thanks to a partnership with Delmarva to enhance public safety; a model Clean Team made up residents supplied and paid by the City to pick up trash as part of Mayor Purzycki's Beautiful City Initiative's Clean Neighborhood Streets Project; and an Alley Clean Out project that involved residents removing trash and debris from clogged alleyways; as well as

The East Side neighborhood enhancements are anchored by the construction of a new, state-funded, state-of-the-art Bancroft School (Maurice Pritchett Sr. Academy) – the first new school built in the City in 50 years. Scheduled to open in September 2024 with classes and programming for students in 1st through 8th grade, the school will also feature new athletic fields and after-hours programming.

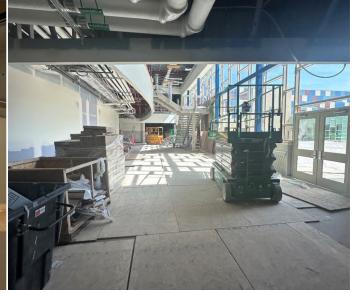
ongoing improvements to Holloway Park. Progress is also being made regarding the Administration's priority of ensuring that minority contractors, developers, and workers have access to the ARPA-funded projects and jobs being created through the rebuilding of City neighborhoods. To date, more than forty minority-owned firms have worked or are working on an array of projects.

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In addition to a tremendous amount of resources, the Mayor's citywide effort requires unprecedented partnerships with key organizations such as the Wilmington Neighborhood Conservancy Land Bank, Woodlawn Trustees — which competed the first rental property rehab on the East Side in March of 2022 — the Wilmington Housing Authority, the Delaware State Housing Authority, Habitat for Humanity — which has helped 200 East Side homeowners make thousands of dollars in needed home repairs (roof replacement; porch repair; heating system upgrades; window, door, and gutter replacement) through a \$2 million investment in its Brush with Kindness program — the Central Baptist Community Development Corporation, the New Castle County Vo-Tech School District — which partnered with the Administration on its Wilmington's Future Builders program that teaches construction trades to neighborhood young people and pays for them for on-the-job internships while they learn in the classroom and on-site — and Delmarva Power.

The new Maurice Pritchett Sr. Academy under construction and scheduled to open in September.





Thanks to the City's partnership with the Wilmington Neighborhood Conservancy Land Bank in particular, the Mayor's plan to improve the quality of life on the East Side focus area has managed the following to date:

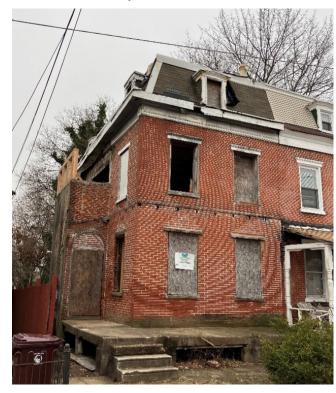
- The purchase of vacant homes along Bennett, Pine and Kirkwood streets that have led the way to the construction of new and renovated homes. Currently there are more than 40 homes that are in the early stages of construction (Bennett Street and Lombard Street).
- Bennett Street is currently being transformed. Habitat for Humanity and Todmorden Foundation will
  construct 32 new homes on the 800 and 900 blocks of Bennett. In addition, the Land Bank has purchased
  most of the homes on the 1000 block of Bennett. They are working with several developers to renovate
  each home for homeownership.
- Todmorden East will serve as the developer in the construction of five new homes in the 900-block of Lombard Street. These homes, when complete, will be made available for home ownership. In addition, plans are underway to develop the site of the former church at 934 Lombard Street.
- The nuisance property liquor store at the corner of 8th and Pine streets across from Bancroft School was purchased and demolished. New construction is planned for this site.
- A former mixed-use blighted building at 738 East 11th Street has been acquired and is being evaluated for future use.
- All 11 homes on the East Side of the 800-block of Pine Street were purchased by the Land Bank using ARPA funds. These homes have been demolished and the construction of new housing is planned to begin before the end of the year.
- 800 Lombard Street, once a restaurant and rooming house, has been long vacant and fallen into disrepair. This property was purchased by the Land Bank and ARPA funds were made available to redevelop it for mixed-use and bring the property back to life.
- Three vacant and gutted homes in the 500-block of East 8th Street will soon be under construction. Once completed, these homes will made available for home ownership.
- The property at 600 East 9th Street (across from Central Baptist Church) has been acquired for renovation and repurposing for either affordable rental or homeownership.
- A private minority developer is currently renovating 12 homes on Pine and Shearman streets. Several
  other minority developers are also working on homes on Pine Street, Kirkwood Street, and the
  1000-block of Bennett Street.
- Minority contractors were hired by the Land Bank to renovate five focus-area homes that were among the
  most blighted houses in the neighborhood. Each home has cost the Land Bank more than \$200,000 to bring
  back to life. They now look beautiful (two are sold) and the remaining three will soon be on the market.
- The Land Bank is working with the City's Department of Real Estate and Housing on a plan to acquire up to twenty vacant properties throughout the East Side focus area.

Approximately \$30 million has been invested on the East Side to date. The City maintains regularly updated ARPA pages on its website that enable the public to track ARPA projects and spending: www.wilmingtonde.gov

#### Amala Way II



#### 1006 Lombard Street (before)



#### 1006 Lombard Street (after)



## Restoring Homeownership in Lower Hilltop

The project combines the strategic acquisition, rehabilitation, and disposition of up to 50 vacant units located on contiguous streets in the heart of Wilmington's long neglected West Side neighborhood.

Norman Mercado has lived in Wilmington's Lower Hilltop community for 45 years. In that time, he's seen many of the neighborhood's early 20th century rowhomes abandoned, left to the elements by absentee landlords, boarded up for back taxes, or targeted by squatters.

"It's hard to feel good about your neighborhood when what you see is a lot of boarded up doors and windows and people you don't know doing things you don't want to know," Mercado says.

But Mercado says things are looking up in Lower Hilltop these days. And he credits the Wilmington Neighborhood Conservancy Land Bank's Lower Hilltop Affordable Housing Initiative for much of the progress. "Things haven't looked this positive in a long time," he says.

Launched in August 2022, the Lower Hilltop Affordable Housing Initiative is the Land Banks most ambitious program to date. The project combines the strategic acquisition, rehabilitation, and disposition of up to 50 vacant units located on contiguous streets in the heart of Wilmington's long neglected West Side neighborhood, a largely African American and Hispanic community.



Since 2022, the Land Bank acquired 35 Lower Hilltop properties. Of the properties acquired in 2023, seven were rehabilitated and sold to first-time homebuyers, 12 are slated for renovation and sale in 2024, and seven more are in the planning stage. Renovated homes are selling for between \$150,000 and \$190,000.

The Land Bank's Bud Freel says, "The Land Bank is deleting vacant eyesores and revitalizing this community. But what we're really creating is affordable homeownership opportunities for first-time homebuyers." He pushes back against the idea that the Land Bank is gentrifying the area. "It's the opposite," he explains. "The Land Bank is making it possible for individuals and families to own what is effectively a brand new home, at an affordable price, in the heart of the city."

Governor Carney agrees. Following a recent two-hour tour to witness the Land Bank's work in Lower Hilltop, the governor said, "The Lower Hilltop Affordable Housing Initiative provides a significant opportunity to address the need for affordable housing while transforming a proud community. And the best part is, the project puts residents first."

Freel says the impact of the Lower Hilltop Initiative extends beyond the neighborhood. Most of the renovation work is being done by minority contractors whose commitment to the work can be seen in their craftsmanship.

Looking at the neighborhood he's called home for nearly a half century, Norman Mercado is sold on the Land Bank's Lower Hilltop Affordable Housing Initiative. "With fewer abandoned properties and renovated homes, Lower Hilltop is once again becoming a desirable, and affordable place to live in Wilmington."

The Lower Hilltop Affordable Housing Initiative provides a significant opportunity to address the need for affordable housing while transforming a proud community.

And the best part is, the project puts residents first." — GOVERNOR JOHN CARNEY

Federal Earmark \$3,000,000 Wilmington Neighborhood Conservancy Land Bank  State of Delaware (Bond Bill) \$1,350,000 Wilmington Police Department  City of Wilmington \$1,000,000 City of Wilmington, License and Inspections  ARPA funds received from the State \$750,000 West Side Grows  Program Income \$600,000 The Hilltop Community  New Castle County \$500,000 Wilmington City Council  M&T Bank Grant \$250,000 Latin American Community Center	Funds Awarded:		Project Team:
wilmington Fire Department	State of Delaware (Bond Bill) City of Wilmington ARPA funds received from the State Program Income New Castle County	\$1,350,000 \$1,000,000 \$ 750,000 \$ 600,000 \$ 500,000	Land Bank Wilmington Police Department City of Wilmington, License and Inspections West Side Grows The Hilltop Community Mayor Michael Purzycki Wilmington City Council

6

# Art O Mat and Adjacent Pocket Park Revitalize West Center City

What do you get when you cross a laundromat with an art space? In Wilmington, you get a community-centered arts exhibition space called, Art O Mat!

That's what happened when the City of Wilmington sold a deteriorating rowhouse at 501 7th Street in West Center City to the Wilmington Alliance. The rowhouse had been a nuisance property for years, says Wilmington Alliance CEO, Renata Beata Kowalczyk.

In its long history, the property had transitioned from a building with two apartments, "a laundromat that wasn't really a laundromat" and a liquor store. The property stood adjacent to another derelict building owned by the Land Bank and slated for renovation.

Kowalczyk says the Alliance saw potential in the blighted building as part of its "Creative Placemaking" initiative. Wilmington Alliance had been working with the community since 2005 and already created the Rock Lot at 7th and West Streets and a Community Garden at 7th and Washington. The new project would be another step forward in reshaping the neighborhood.

Negotiations between the City and the Wilmington Alliance regarding mold, asbestos and lead remediation consumed nearly two years. But by October 2020, the transaction was complete — just in time for COVID shutdowns that caused material scarcity, shipping delays and workforce issues.

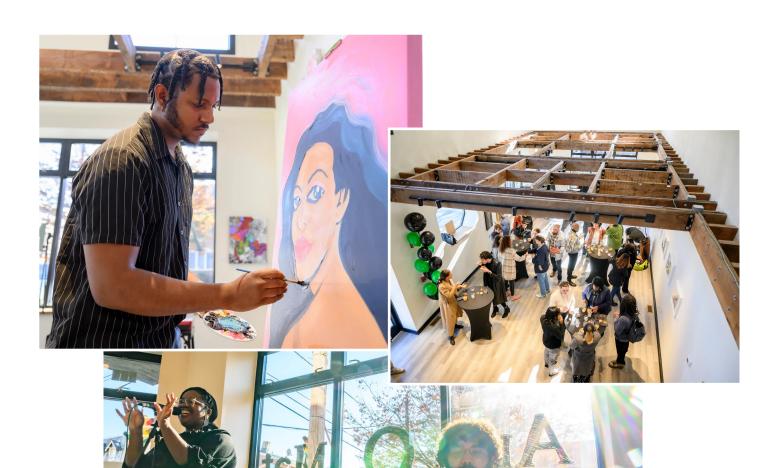
Then the adjacent Land Bank-owned building next door collapsed. The Land Bank undertook its most expensive demolition to date, and in the process created a clean brown space which the Alliance has used to develop a pocket park directly adjacent to their building.





Wilmington Alliance is proud to partner with Land Bank in our shared work to revitalize Wilmington's West Center City. The impact of transforming blighted and nuisance properties into beautiful and welcoming community assets cannot be overstated," said Kowalczyk. "A safe and nurturing environment is a fertile ground for loving families to raise children who are the next generation of Wilmington leadership."

RENATA BEATA KOWALCZYK,
 CEO, WILMINGTON ALLIANCE



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In June 2023, the Wilmington
Alliance received their
certificate of occupancy,
launching Art O Mat as
a "multi-solving" facility
where a range of community
issues are addressed
simultaneously.

The parcel is located in an Historic District as designated by the Wilmington Design Review and Preservation Commission, so demolition and renovations were undertaken with great care, uncovering historic building materials such as the beams in the ceiling with original iron pins.

In June 2023, the Alliance received their certificate of occupancy, launching Art O Mat as a "multi-solving" facility where a range of community issues are addressed simultaneously.

Recent attractions include three Artists in Residence, Urban Yoga, Poetry Workshops, spoken word recitations, Dance Fit, meditation, healing through arts and more. Admission is free for those attending but artists are paid for their participation.

Art O Mat has been embraced by the community and is already a neighborhood hub of activity. The freedom and flexibility for creativity inprogramming is what keeps the community involved and attracts people from all over the state, Kowalczyk explains.



# Revitalizing Distressed Property on Wilmington's North Market Street Corridor

In 2023, WNCLB joined in a strategic partnership with Collaborate Northeast and True Access Capital to revitalize distressed properties and seed long-term positive change in Wilmington's long neglected Northeast community. The partnership's first project was site improvements at 2301 North Market Street, a key Land Bank-owned parcel at the heart of the North Market Street commercial corridor. Improvements included:

- Demolition of a small unusable building on the site
- Removal of existing asphalt
- Cleaning and greening the lot through seeding and strawing
- Placing wooden fencing around the lot to improve safety
- Marketing the property to potential developers

By restoring the condition of 2301 North Market, the Land Bank seeks to spark additional renovation and investment in other parts of Wilmington's Northeast corridor. WNCLB's Ray Saccomandi says, "The improvements at 2301 North Market are a catalyst for positive change. By reducing vacancies, uplifting the condition of properties and fostering developer interest in the community, we hope to drive investment in the community and thereby restore hope, dignity, and pride to the neighborhood."

Reflecting on the project and partnership, Kristin Barnekov-Short, Collaborate Northeast's economic development facilitator, shares, "Collaborate Northeast was pleased to coordinate this partnership with the Land Bank and True Access Capital and support the Land Bank in seeking and being awarded these funds. The project is aligned with our efforts to bring together community residents, organizations, and resource partners to support the long-term economic health and revitalization of the Northeast community. We look forward to future opportunities to partner with the Land Bank."

Funding for the project was awarded by Healthy Communities Delaware on behalf of the Delaware Division of Public Health, and supported by funds from the United States Centers for Disease Control and Prevention, and the Center for State, Tribal, Local and Territorial Support, under the National Initiative to Address COVID-19 Health Disparities Among Populations at High-Risk and Underserved, including Racial and Ethnic Minority Populations and Rural Communities.

2301 North Market Street (before)



2301 North Market Street (after)



[10]

# Driving Positive Change in Wilmington: Measuring the Impact of the WNCLB\*

## 341 BLIGHTED PROPERTIES HAVE BEEN SOLD AND REPURPOSED:



Rehabs sold for

Rehabs sold for affordable rental



Nonprofit joint affordable housing projects



**Neglected lots sold** to adjacent neighbors as a side yard



**Unsafe structures** demolished, improving neighborhood safety



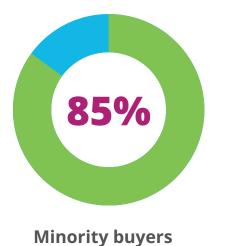


**Urban gardens** 

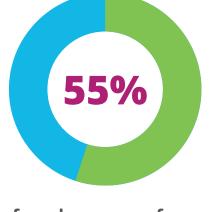


**Blighted properties** donated









of our buyers are from the City of Wilmington

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## WNCLB Staff

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#### **Becky Vogel**

**Director of Finance & Grants** 

#### **David Reynolds**

Administrative Assistant

#### **Bud Freel**

**Community & Government Liaison** 



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