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**RETHINKING VALUE: THE NEED FOR A  
NEW CONCEPTUALIZATION OF VALUE IN THE  
CONTEXT OF BLIGHTED, URBAN NEIGHBORHOODS  
RECOVERING FROM THE FORECLOSURE CRISIS  
AND DECADES OF NEGLECT**

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*Foreclosure Relief Law Project, A Program of the Housing Preservation Project*

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The **Kirwan Institute for the Study of Race and Ethnicity** is a university-wide interdisciplinary research institute. We generate and support innovative analyses that improve understanding of the dynamics that underlie racial marginality and undermine full and fair democratic practices throughout Ohio, the United States, and the global community. Responsive to real-world needs, our work informs policies and practices that produce equitable changes in those dynamics.

**RETHINKING VALUE: *The need for a new conceptualization of value in the context of blighted, urban neighborhoods recovering from the foreclosure crisis and decades of neglect.***

**Mark Ireland<sup>1</sup>**

Core cities and urban neighborhoods around the country, particularly in the Northeast and Midwest, are dying. This is not a quick and painless death. This is, instead, a slow and steady progression of decline and deterioration. It is a downward progression that often feeds into stereotypes and undermines a community's pride. There are nine major metropolitan areas, including Buffalo, Saint Louis, Detroit, and Cleveland as well as countless other urban neighborhoods that have experienced significant population loss and urban blight over the past five decades. In some cities, there are three to four vacant properties for every one hundred people. In Buffalo, 13% of all addresses are "undeliverable" according to the United States Postal Service.

The urban decay and blight is both a cause and a symptom of larger problems, such as a struggling public education system, high crime rates, high unemployment, lack of reliable transportation, denial of credit, and health problems. Underlying it all is the legacy of overt and systemic racial discrimination. Over the years there have been many efforts to break the cycle, but none have been truly successful. Some good ideas failed because of lack of funding. Some ideas had plenty of funding, but were simply bad. Some ideas were too short-sighted, and some ideas took too long to demonstrate results.

The missing element of these past-programs is a community discussion about value. The city or neighborhood that existed in 1960 or 1970 is never going to come back to its old self. Like a patient who struggles against an illness for a long time, the patient is rarely the same even after the disease is defeated. A city and neighborhood is the same. In some cases, the city and neighborhood has been crippled for fifty years (half a century). Our value has to be in the future, not the past.

The current foreclosure and economic crisis provide a historic opportunity. We can now discuss at a grassroots level what we value in our community or the community where we want to live. Do we want more parks? Do we want more libraries? Do we want larger backyards? Do we want small business centers that are walkable and bikeable? Do we want neighborhood elementary schools? A health clinic? A grocery store? An integrated neighborhood? A diverse neighborhood?

Once it is decided where we want to go based on our values, we must change the legal definition of value. The legal definition of value limits the ability of communities to take control of their environment. Property law was not created for an urban environment. The law does not value green space or parks, nor does it value racial and economic equality and opportunity. The law also does not recognize that some property---particularly in core cities---may have negative value. Negative value means that once a house is rehabilitated the value of the house is less than the costs of rehabilitation. In essence, the neighborhood, community developer, or city loses money every time that a property is revitalized. In order to recover from the foreclosure crisis and decades of neglect, we must identify our values and change the law to recognize and support this new conceptualization of value.

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<sup>1</sup> Mark Ireland is the supervising attorney for the Foreclosure Relief Law Project, a program of the Housing Preservation Project, and an adjunct professor at Hamline University School of Law. Many thanks to Dr. Kathryn A. Foster, Director, University of Buffalo Regional Institute. With her permission, I am using some of Dr. Foster's research in this paper and a future law review article on this topic. The conclusions and mistakes presented herein, however, are my own.

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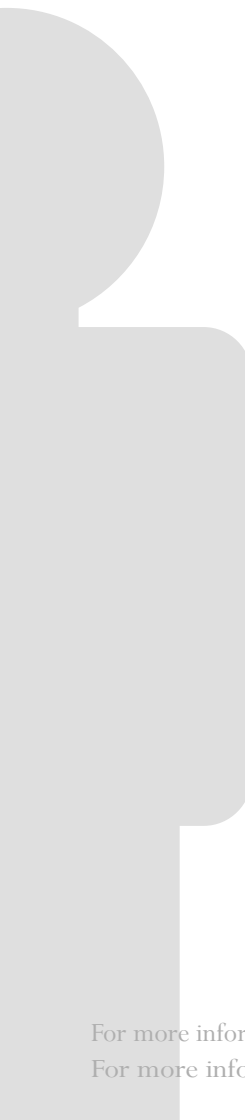
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