

Neighborhood Revitalization **BRIEF**

Jamestown's 'Zombie' Properties The Scale and Impact of Chronically Vacant Homes

Recently released data provide new insights about vacant housing in Jamestown, including the scale of long-term vacancy in city neighborhoods. Nearly 650 housing units—representing 4.5% of all units and almost half of all vacancies—are chronically empty due to structural problems and market forces that make them difficult to rent or sell, and impractical to repair. Limiting the liabilities that these properties pose to neighbors, taxpayers, and the city's housing market, is the greatest long-term challenge of neighborhood revitalization.

Every housing market has some level of vacancy—in fact, a vacancy rate of about 5% is considered a healthy cushion that keeps prices from skyrocketing and allows households to easily move into, out of, or within a market.

Most cities with older housing stocks and stagnant populations have vacancy rates above that healthy range, a condition that dampens reinvestment. In Jamestown, vacancy rates have been creeping upward over the past several decades, in tandem with a shrinking population. Despite a gradual drop in the total number of housing units—down over 700 units between 1990 and 2010—the number of vacant units has risen.

New data from the 2010 Census show vacancy at 11% citywide, up slightly from 2000. More troubling, though, is the uptick in vacant units that appear to be both unoccupied and off the market. Numbering 656 units in 2010, up from 366 in 2000, many of these units may be unmarketable and on a certain road to demolition by neglect, fire, or other means.

**Market Status of Jamestown's
Vacant Housing Units, 1990-2010**

	2010	2000	1990
Total Housing Units	14,738	15,027	15,461
Vacant Housing Units	1,616	1,469	1,192
For rent	688	668	767
For sale	144	232	123
Rented/sold, not occupied	70	143	NA
Seasonal or occasional use	58	60	27
Other or unknown	656	366	275
% of units vacant	11.0%	9.8%	7.7%
% of vacancies with unknown status	40.6%	24.9%	23.1%

Source/Notes: U.S. Census Bureau

The findings from the 2010 Census are corroborated and clarified by data from the U.S. Postal Service, which maintains a database of addresses where mail is either not received or not picked-up when delivered. At the end of September 2010, the USPS dataset reported that 1,371 residential addresses in Jamestown were vacant (9.5% of all addresses). Of those vacant addresses, 38% had been unoccupied for at least 36 months, and 48% (or 4.5% of all addresses) had been vacant for at least 24 months.

The USPS data also show variations within the city. In the Chadakoin area northwest of downtown, almost 15% of all addresses were reported vacant, and of those vacant addresses, over 75% (or 11% of all addresses) had been vacant for over 2 years. Long-term vacancy in Willard Heights and Downtown was lower than in Chadakoin, but noticeably higher than the city average.

In neighborhoods with more stable housing markets, short-term vacancies are much more common, as apartments and homes spend only short periods without occupants (especially in the College/Falconer area, where turnover is relatively fast).

Vacant Addresses in the City of Jamestown, Third Quarter 2010

	Total Residential Addresses	Vacant Residential Addresses	% Vacant	Period of Vacancy for Vacant Addresses				
				Short-Term		Mid-Term	Long Term	
				% Vacant Under 6 months	% Vacant 6-12 months	% Vacant 12-24 months	% Vacant 24-36 months	% Vacant 36+ months
Jamestown	14,494	1,371	9.5%	25.5%	15.5%	11.1%	9.7%	38.3%
College/Falconer	1,649	190	11.5%	40.5%	13.2%	4.7%	10.0%	31.6%
Lakeview/Winsor	1,937	177	9.1%	35.0%	8.5%	10.2%	5.1%	41.2%
Chadakoin	1,062	156	14.7%	11.5%	11.5%	1.3%	6.4%	69.2%
Westside	1,894	128	6.8%	32.0%	26.6%	10.9%	8.6%	21.9%
Downtown	2,032	268	13.2%	25.0%	17.9%	14.2%	7.1%	35.8%
Willard Heights	1,667	181	10.9%	14.4%	8.8%	16.0%	18.8%	42.0%
Foote/Allen Park	2,130	159	7.5%	24.5%	20.1%	11.3%	13.8%	30.2%
Forest/Bergman	2,123	112	5.3%	17.0%	21.4%	21.4%	8.0%	32.1%

Source/Notes: U.S. Postal Service Administrative Data on Address Vacancies, Third Quarter 2010. The eight neighborhood divisions correspond to the city's eight census tracts.

Long-term Vacant Addresses, Third Quarter 2010

	Long-term Vacant Addresses (2+ Years)	% of vacant addresses	% of all addresses
Jamestown	658	48.0%	4.5%
College/Falconer	79	41.6%	4.8%
Lakeview/Winsor	82	46.3%	4.2%
Chadakoin	118	75.6%	11.1%
Westside	39	30.5%	2.1%
Downtown	115	42.9%	5.7%
Willard Heights	110	60.8%	6.6%
Foote/Allen Park	70	44.0%	3.3%
Forest/Bergman	45	40.2%	2.1%

Source/Notes: U.S. Postal Service Administrative Data on Address Vacancies, Third Quarter 2010. The eight neighborhood divisions correspond to the city's eight census tracts.

Long-term Vacancies: Impacts and Strategies

Even in neighborhoods with low levels of long-term vacancy, these units can have a significant impact. As Jamestown's neighborhood revitalization plan found, properties in poor condition can rob \$25,000 in market value from nearby homes in good repair. Taken collectively, these units threaten the stability of strong neighborhoods, degrade quality of life in weaker neighborhoods, and detract from the city's taxable property base—and are often demolished, after years of festering, at the city's expense.

Dealing with these 'zombie' properties—functionally and economically dead, but rotting in our midst—is a long-term challenge in many older cities, as well as Sun Belt cities with a glut of new but empty homes. **In Jamestown, the 650 long-term vacant housing units could represent anywhere from 150 to 250 structures, depending on how many units (most of them rentals) are in each structure and how many structures are completely empty.**

There is no single or simple solution to alleviate the impact these units have on city neighborhoods, but a number of tactics are being debated or pursued in cities with far greater vacancy than Jamestown, including:

- **Identification:** While postal and Census data provide a point-in-time glimpse at vacancy on a citywide and neighborhood scale, they cannot (due to confidentiality guidelines) provide a list of currently vacant properties. Instead, cities have to cobble together lists of properties or indicators of vacancy from a variety of sources, including utility shut-off records, neighborhood intelligence, inspections, and other means. Once an accurate inventory is developed, cities can develop an action plan for vacant properties based on available resources and property locations.
 - **Vacant Property Registry:** An identification tool deployed in several cities, from Binghamton to Minneapolis, is a requirement that owners of vacant properties register their properties with the city to alert officials about the vacancy. In some cases, they are also required to file a plan to demolish, rehab, or maintain the structure—giving the city knowledge about their intentions and an opportunity to connect the owner with helpful resources and information about their options.
 - **Neighborhood Intelligence:** Recognizing that neighbors are often the best source of information on neighborhood conditions, many cities are finding ways to make the public a more important part of identifying problem properties—through Web sites, ombudsmen, or forums that keep residents engaged and informed.

- **Rehab or Mothball:** If a market demand needs to be met, or an historical asset needs to be preserved, rehabilitation can be a viable option. If not feasible in the short-term, significant properties can be secured and mothballed until demand improves or financing is found.
- **Demolition:** For vacant properties that are prohibitively expensive to rehab (due to structural problems or lack of market demand), demolition is often the most desirable outcome. Because it's expensive and doesn't produce a tangible asset, demolition is often a measure of last resort, once a property has become a public safety hazard. Until that point, the property remains a source of blight.

Currently, Jamestown has resources to demolish 8 to 12 structures each year, most of them on an emergency basis. Stepping up demolition to chip away at the total number of vacant and abandoned structures would require:

- **Reducing the cost of demolition** by getting the state to reform onerous asbestos testing and abatement requirements, or finding ways to streamline the demolition process and reduce the cost per structure (such as bundling properties for a competitive bidding process).
- **Encouraging private owners to demolish their vacant properties** by crafting incentives to demolish, or connecting them with lower-cost alternatives to traditional demolition (such as Buffalo ReUse, which provides private owners with a tax deduction on the salvageable value of their property).
- **Increasing resources for demolition** by assembling funding from a wide variety of city, county, state, federal, private and philanthropic sources—with the clear aim of using strategic demolition to revitalize neighborhoods.
- **Vacant Lot Reuse:** If cities are able to speed up the demolition of vacant properties, they are often faced with a difficult problem after the fact—what to do with vacant land to keep it from becoming as much a nuisance as the vacant home. Strategies include:
 - **Expanded yards for adjacent property owners**
 - **Consolidate lots and reuse for private home development**
 - **Community gardens run by neighbors or organizations**
 - **New or expanded parkland, or reforestation**

Although there is no “magic bulldozer” solution to pockets or even swaths of vacant properties, a combination of approaches that help identify vacant properties, prioritize their removal or rehabilitation, expand the scale of demolition (through lower costs and greater resources), and creatively reuse vacant land, will help Jamestown and many other cities keep up with their vacant property problems.