

Proposal to Establish a

Vacant Property Inventory and Early Warning Database

in Jamestown, New York

Jamestown Renaissance Corporation—April 2012

I. Identifying and Monitoring Vacant Properties: A Growing Need

The negative influence vacant and abandoned properties have on neighborhoods is often plain to see and hard to ignore. As common sources of nuisance and blight, they destabilize entire blocks and stifle revitalization efforts. But until recently, their impact has gone largely unmeasured.

With vacancy rates rising in many cities and older suburbs, more and more places are trying to identify and count vacant buildings in order to better understand and control their impact. These efforts have confirmed conventional wisdom about the effect of vacant buildings on property values, public services, and local budgets. Findings include:

- **Higher Crimeⁱ**
 - A study of Austin, TX found that blocks with unsecure vacant buildings had far more crime than similar blocks without such buildings, including 3.2 times as many drug calls, and twice as many violent behavior and theft calls.
 - Richmond, VA found that the presence of vacant properties had a higher correlation to the incidence of crime than any other physical, economic or demographic variable.
- **Fires and Safety Hazardsⁱⁱ**
 - Vacant residential buildings account for 28,000 fire calls each year in the U.S., resulting in \$900 million in property damage. Arson is the leading cause (37%). These fires take longer to detect and respond to than other fires and spread to adjacent buildings 11% of the time.
- **Higher Expenditures and Lost Revenuesⁱⁱⁱ**

- An effort to estimate the costs of vacant buildings to Ohio municipalities found that Lima, Ohio, (a city of 38,000 with similarities to Jamestown) incurred \$1.8 million in costs tied to vacant properties in 2006, including:
 - \$171,000 for inspections at vacant properties;
 - \$151,000 for demolition and boarding;
 - \$138,000 for grass cutting and trash removal;
 - \$104,000 on police and fire runs;
 - \$1.4 million in lost revenue from tax delinquency on vacant buildings and lots, and taxes lost from demolition

- A 2001 Philadelphia study found that homes within 150 feet of a vacant property surrendered \$7,600 in market value as a direct consequence, leading to lower assessed values.^{iv}

- In 2010, czbLLC found that well-maintained properties in Jamestown lose \$25,000 in market value when adjacent to poorly maintained properties (of which vacant homes account for an unknown but likely sizable share).^v

These findings put vacant properties at the heart of several vicious cycles. They place a greater burden on municipal services than nearly any other type of property (especially compared to the revenue they typically generate) while simultaneously degrading the tax base and undermining a city's capacity to provide services.

They also dilute the effect of revitalization programs by creating blight and reducing confidence in neighborhood and citywide housing markets. This makes a vacant home less likely to be reoccupied in a timely manner and spurs other owners to disinvest in their properties—increasing the likelihood that those properties, too, will become obsolete, undesirable, and someday empty.

In Jamestown, widespread and chronic vacancy has been observed in several neighborhoods. Postal Service data from 2010 showed that nearly 10% of the city's residential addresses were vacant, and that 38% of those addresses (or over 500 individual housing units) had been vacant for at least 36 months.^{vi} Confidentiality rules, however, preclude the exact locations of these units from being divulged to the public—or even to local governments.

Identifying and closely monitoring vacant buildings—and buildings at risk of becoming vacant—can help ameliorate some of their negative impacts and begin a process of proactively working with property owners to set and reach goals for their properties—be it demolition, redevelopment, rehabilitation, or mothballing. Jamestown, like many cities, currently has no formal process in place for identifying, monitoring and managing its stock of vacant and abandoned properties.

II. A Vacancy Inventory and Early Warning Database for Jamestown

While some vacant buildings broadcast their unoccupied state via broken windows or overgrown weeds, many are hard to detect until they become significant neighborhood problems. This is why many studies of effective vacant property management suggest the development of inventories and early warning databases as ways to help municipalities and their partners identify and monitor at-risk properties before they become serious problems.^{vii}

But how can properties that are currently vacant or at risk of vacancy be identified—especially those that show few outward signs of distress? To accomplish this, many communities use indicators that reliably pinpoint vacant properties or those that may soon become vacant. The most dependable indicators^{viii} include:

- **Utility information**, especially water use. If water service has been terminated by the owner or the utility, chances are good that the building is unoccupied. And unlike gas and electric service, most buildings—including multi-tenant structures—have just a single water account. In Jamestown, the Board of Public Utilities manages water service within the city and several surrounding communities.
- **Tax delinquency** and the initiation of the tax foreclosure process are signs that a property may be entering a period of vacancy, deferred maintenance, or transitions in ownership. Chautauqua County's Real Property Tax Department maintains lists of properties that are tax delinquent or being foreclosed upon.
- **Mortgage foreclosure**, like tax delinquency, indicates troubled ownership that may put the property and the neighborhood at risk. Banks file *lis pendens* notices with the Chautauqua County Clerk's office to initiate the foreclosure process.

The identification of good indicators is only the first step toward building a useful inventory. A data coordinator needs to establish a schedule for data collection—and make arrangements with data providers—to ensure that the inventory is updated often enough to remain up-to-date. The data manager must also organize and analyze the inventory in ways that make the data readable and useful to its end users—which may include code officers, planners, and public safety officials.

Development and utilization of a vacant property inventory can happen quickly and inexpensively due to its reliance on existing data. The key barrier to pulling an inventory together, then, is the need to coordinate the collection of data and the distribution of useful information—a duty that can be carved from agencies and institutions with the capacity to perform this role.

This proposal for a vacant property inventory and early warning database for Jamestown takes advantage of existing capacities and the presence of datasets required to provide useful indicators of vacancy. The following description and diagram provide an example of how a Jamestown inventory would be compiled and how it would function:

1. Inventory Input

The most dependable indicators of vacant properties or properties at risk of vacancy can be compiled from existing datasets, including:

- a. The Board of Public Utilities' (BPU) list of properties currently without water service. This dataset can be used in two ways: a comprehensive list of properties without service, and a list of properties that have had service terminated within a recent period (such as two months). This would provide the inventory with a list of all likely vacancies, as well as a targeted 'early warning' list of properties that may have been recently vacated.
- b. Chautauqua County's list of properties in Jamestown that have entered the tax foreclosure process, or with a recent record of tax delinquency signaling the potential for foreclosure in the near future.
- c. Chautauqua County's list of recent *lis pendens* filings from banks, indicating properties where mortgages are in default and foreclosure proceedings have been initiated.
- d. Code enforcement staff and other city employees can contribute their own field observations to the inventory.

2. Collection, Compilation, and Distribution of Vacancy Data and Information

The City of Jamestown's Department of Development (DOD) and the Jamestown Renaissance Corporation (JRC) are in a position to collaborate on the development and distribution of the vacancy inventory and early warning database. Using the raw property lists from the BPU and Chautauqua County, the DOD and JRC can produce a useful inventory that includes:

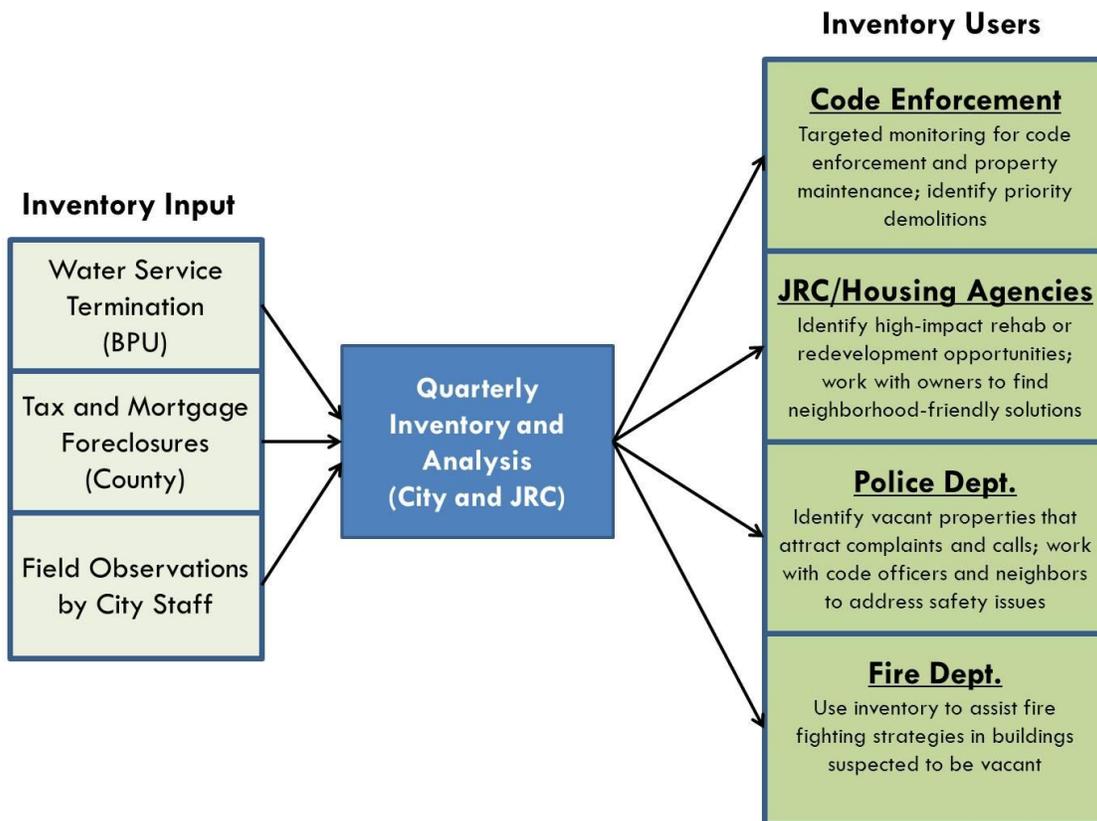
- A complete list of all properties suspected to be vacant
- Maps showing property concentration and other forms of geographic analysis
- Classification of properties by strategic location, properties near high-visibility corridors, adjacent to schools, or within high-leverage blocks outlined by the neighborhood revitalization plan
- Calling attention to properties that may have been recently vacated

The collection, analysis, and distribution of inventory material could take place on a quarterly basis to ensure the information's usefulness.

3. Inventory Users

Information from the inventory and early warning system must be put to good use for the inventory to play an effective role in neighborhood stabilization and revitalization. Potential end-users of the data include:

- **DOD and Code Enforcement**, using the inventory to monitor code compliance and to intervene before a property becomes a neighborhood eyesore. The inventory could also be used in the prioritization of city demolitions and the distribution of CDBG and HOME program funding.
- **JRC, CHRIC, CODE, CODE, and other housing-related agencies**, using the inventory to identify opportunities to intervene through acquisition, rehabilitation or owner assistance.
- **Police and Fire Departments**, using the inventory to help identify vacant properties that may be targets of arson or vandalism, cross-reference vacant properties with complaints and service calls, and work with code officers and neighbors to address safety issues.



III. Timeline for Development

The following is a proposed timeline for the development of the initial vacant property inventory, including arrangements between data providers, data collectors and data users.

PHASE I

- Reach agreement on the indicators to be used and the partnerships to form in developing and maintaining a vacant property inventory;
- Finalize a list of data users;
- Identify and address any confidentiality requirements related to receiving, distributing and using specified datasets;
- Initiate data partnerships with the BPU and Chautauqua County, outlining the specific datasets to be shared, points of contact between the data holder(s) and the data recipient(s), and the format and frequency of delivery.

PHASE II

- JRC and DOD collect the first round of data;
- JRC and DOD organize and distribute the first inventory and analysis package to data users;

PHASE III

- Collect feedback from data users and incorporate into next round of data collection and distribution;

PHASE IV

- JRC and DOD release inventory and analysis packages to data users at a set frequency—such as quarterly—based on the availability of new datasets.

ⁱ National Vacant Properties Campaign. 2005. “Vacant Properties: The True Cost to Communities.” Crime statistics from Austin and Richmond are noted on pages 3 and 4 under “Costs of Municipal Services.”

ⁱⁱ U.S. Fire Administration. 2010. “Vacant Residential Building Fires,” Volume 11, Issue 3 of Topical Fire Report Series.

ⁱⁱⁱ Community Research Partners and ReBuild Ohio. 2008. “\$60 Million and Counting: The Cost of Vacant and Abandoned Properties to Eight Ohio Cities.” Information on Lima, OH, taken from Table E-2 on page v of Executive Summary.

^{iv} Temple University Center for Public Policy. 2001. “Blight Free Philadelphia: A Public-Private Strategy to Create and Enhance Neighborhood Value.” Estimates on property values losses from page 22.

^v City of Jamestown. 2010. “A Livable Community.” Estimate of lost value due to presence of distressed property comes from page 30 of czbLLC’s housing market analysis of Jamestown.

^{vi} Jamestown Renaissance Corporation. 2011. “Jamestown’s Zombie Properties: The Scale and Impact of Chronically Vacant Homes.”

^{vii} BPI: Business and Professional People for the Public Interest. 2010. “How Can Municipalities Confront the Vacant Property Challenge?”

^{viii} Ibid.