

Regenerating Youngstown and Mahoning County

Through Vacant Property Reclamation

Reforming Systems and Right-sizing Markets



National Vacant Properties Campaign **Program Brief**
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February 2009

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OVERVIEW

As part of the National Vacant Properties Campaign's policy assessment report for the Youngstown-Mahoning County Vacant Properties Initiative, the study team compiled the results of its research and interviews into the following five program briefs: 1) Real Property Information Systems; 2) Code Enforcement; 3) Land Banking and Tax Foreclosure; 4) Community and Economic Development; and 5) Planning and Vacant Property Reuse. Each program brief offers a snapshot of the city's and the county's existing vacant property programs and policies as of the summer and fall of 2008. The briefs also include references to model programs and practices from cities throughout the country. The NVPC team used this baseline information to frame the short- and long-term policy recommendations found here and in its policy assessment report.

PROGRAM BRIEF NO. ONE
Real Property Information Systems (RPIS)

The constantly evolving nature of communities makes it difficult for a municipality to have an accurate and comprehensive picture of property and neighborhood conditions. Understanding the vacant and abandoned property landscape is even more challenging. Tracking real property information is not glamorous, nor does it produce the physical results residents can see in their neighborhoods. However, this information is vital for making important decisions that do lead to tangible activities affecting community residents.

The measures Youngstown can put in place to periodically capture and record information for a real property information system (RPIS) will go a long way in addressing the challenges it experiences because of vacant and abandoned properties. The design of an RPIS for Youngstown should facilitate a holistic method for managing vacant and abandoned properties. Access to reliable data and the tools necessary for analyzing that data may also aid in securing grants to provide additional support for addressing vacant and abandoned properties in Youngstown.

RPIS Data and Sources

The scope and breadth of an RPIS will determine the diversity of the data sources tapped. A comprehensive RPIS will contain housing, social, and economic data and exhibit some overlap between property level and neighborhood statistics. Municipalities already generate much of the information pertaining to local circumstances contained in an RPIS—although it is not always in a readily accessible format. This information can be seen in Table B-1 below.

Table 1: Important RPIS Data	
<i>Neighborhood information</i>	<i>Property information</i>
Crime statistics	Tax and municipal lien data
Fire statistics	Nuisance abatement and code violation data
Code enforcement citations	Vacancy and abandonment history
Tax data	Building improvements
Property improvement data and building permits	Ownership and mortgage history

Source: Adapted from *Bringing Buildings Back* by Alan Mallach

Table 2: Sources of RPIS Data	
<i>Data</i>	<i>Source</i>
Tax information	Municipal or county tax agency
Crime statistics	Municipal police or county sheriff department
Fire statistics	Municipal fire department
Code enforcement citations	Municipal building and code enforcement agencies
Property improvement data and building permits	Municipal permitting department Housing Mortgage Disclosure Act (HMDA)
Property information	Municipal planning, building, tax departments U.S. Census Visual surveys
Demographic statistics	U.S. Census
Tax and mortgage lien information	Municipal tax department HMDA
Utility services	Public utility providers
Property sales history	County clerk Multiple Listing Service (MLS)
Rent history	Landlord registration ordinance U.S. Census
Location of civic assets (parks, schools, etc.)	Municipal planning departments

Source: Adapted from *Bringing Buildings Back* by Alan Mallach

Nationally tracked data by the U.S. Census and Federal Financial Institutions Examination Council (HMDA mortgage lending information) are also valuable for identifying neighborhood conditions and trends. Other potential sources of statistics include health departments, employment and family services, juvenile and housing courts, and school districts.

Youngstown currently possesses some of the information necessary for developing an RPIS, and is beginning to assemble other elements.

- The city's partnership with Youngstown State University lends itself to developing a RPIS with or through this institution.
- Existing ordinances, such as the landlord registry, can provide valuable data for the system.
- The connection of the city and county networks could allow the sharing of valuable RPIS data pertaining to property tax history and lien sales.

- The Youngstown Police Department is working with the FBI to develop a computerized data management system, which would be a valuable element to the RPIS.

The building conditions survey generated during the preparation of the 2010 Plan can serve as a baseline for understanding current neighborhood conditions as newer information is gathered.

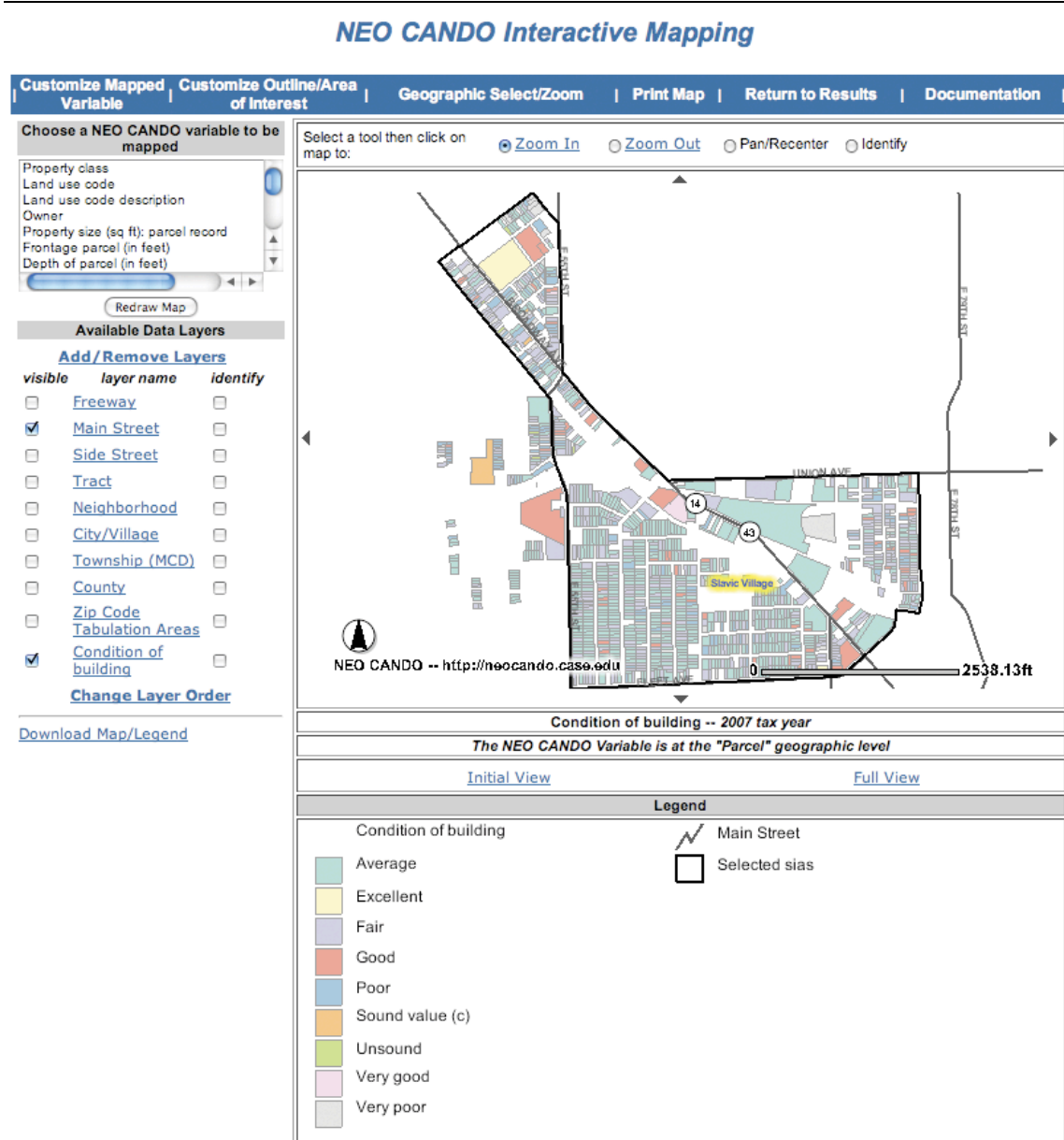


Figure 1 NEO CANDO Interactive Mapping tool allows Internet users to create downloadable images of numerous RPIS variables. Data can also be assembled in tables and charts. *Source: NEO CANDO system, Center on Urban Poverty and Community Development, Mandel School of Applied Social Sciences (MSASS), Case Western Reserve University, (<http://neocando.case.edu>)*

Developing and Using an RPIS

The development of a RPIS must consider who its end users are and how they will likely want to use the system. In addition, the system should be easy to use and able to be updated regularly with minimal effort. The design and management of the RPIS by a local educational or research institution can ameliorate some of the resource issues and technical capacity constraints faced by municipal governments. Universities and libraries are skilled at the collection, management, and presentation of information, making them likely candidates for a RPIS coordinator. Youngstown State University and the Public Library of Youngstown and Mahoning County are two local institutions that could become the institutional home for the RPIS. The Mandel School of Applied Social Sciences (MSASS) at Case Western Reserve University is also a likely candidate for a Youngstown and Mahoning County RPIS. MSASS is home to the Center on Urban Poverty and Community Development, which operates the NEO CANDO system and is devoted to managing and disseminating property information for Cleveland and other areas of Northeast Ohio.

An RPIS will be a useful tool for municipal staff, developers (for and nonprofit), community organizations, residents, and researchers. Figure 3 identifies potential users and partners for an RPIS in Youngstown. The skills of the various RPIS users will be diverse, making it necessary for the system to be easy to use. Training sessions may be needed to educate both the end user and those gathering and entering information into the system.

Figure 2: RPIS Users and Partners in Youngstown

The City of Youngstown staff
Mahoning County staff
Residents
Developers, real estate agents, and other private sector parties
Wean Foundation neighborhood organizers
Community-based organizations such as Wick Neighbors, Inc.
Youngstown State University
Mandel School of Applied Social Sciences at Case Western Reserve University

Review of existing model RPIS programs in Cleveland and Philadelphia reveals the following common traits necessary for creating a successful system in Youngstown. The model programs:

- **Provide data** from which decisions are made about where market strengths/weaknesses exist and what type of strategies should be employed. Building conditions and property surveys, liens and foreclosure information, and code enforcement data can be linked using a RPIS that features a series of overlays to indicate strong and weak neighborhoods;

- **Identify where abatement vs. acquisition/demolition efforts** will be needed. In turn, suitable strategies can be targeted to meet the needs of the residents of these neighborhoods, with an eye on the overall vision for the future of Youngstown; and
- Provide the ability to **track a property** from the time it enters the system to when the issue is properly addressed. One of the challenges is for city employees to understand how their efforts fit into the bigger picture. As a tool for tracking a case from beginning to end, a RPIS is useful for identifying the different partners necessary for resolution as well as potential bottlenecks.

Quick Profile
Housing
NPI Strategic Impact Area: Slavic Village

Indicator	Slavic Village		Cleveland City		Cuyahoga County	
	1990	2000	1990	2000	1990	2000
Number of housing units	2,227	2,156	224,319	215,856	604,538	616,903
Percent of occupied housing units	87.7	85.6	89.1	88.3	93.2	92.6
Percent of vacant housing units	12.3	14.4	10.9	11.7	6.8	7.4
Percent of owner occupied housing units	39.7	33.0	47.9	48.5	62.0	63.2
Percent of renter occupied housing units	60.3	67.0	52.1	51.5	38.0	36.8
Median gross rent (\$)	285	439	322	465	397	541

NOTE: The 1990 numbers in this profile may not match other published counts of 1990 Census data because we have converted the 1990 data to 2000 Census geography to allow for comparisons between the 1990 and 2000 Censuses. Some geographic boundaries changed over the decade. In order to accurately compare the data over time, the data must be in the same geographic boundaries.

Figure 3 NEO CANDO Quick Profile tool allows Internet users to view trend data for particular RPIS information. *Source: NEO CANDO system, Center on Urban Poverty and Community Development, MSASS, Case Western Reserve University, (<http://neocando.case.edu>)*

The design of an RPIS for Youngstown should facilitate a holistic method for managing vacant and abandoned properties. To do so, it should serve as a foundation for a land bank, a comprehensive code enforcement system, and an early warning tool to help prevent additional vacant properties. The following short and long-term actions will advance Youngstown in the direction of developing such a system.

Activities for Developing an RPIS

Engaging in the following activities can guide partners in developing an RPIS for Youngstown. Some will occur concurrently, while others will be stand-alone projects.

1. *Form a city and county working group, together with YSU and other potential partners such as MSASS, to develop a RPIS.*

It should be institutionalized within an existing organization capable of managing diverse data sets, and should contain with the following elements:

- A single data warehouse for real estate records from all public agencies, updated periodically. The data should be easily accessed (i.e., via the Internet), readily displayed in text form, and capable of being mapped through the use of a GIS application. Ideally, the system would be designed to allow real-time updating via daily municipal staff activities. To be truly useful for neighborhood reinvestment decisions and market creation, data should be updated at least quarterly. However, neighborhood information gathered by residents on an annual basis would be a respectable starting point.
 - User access to all public information about properties, including code enforcement history, tax delinquency, and fire incident history. This information could be accessible through a password-protected Web portal with security levels allowing various groups (i.e., the public, department staff) to retrieve relevant information.
 - Collaboration between public agencies and the RPIS institutional home to design, develop, finance, and manage the system as well as to train users, develop related applications, and support research on vacant property issues.
 - System design and training that support independent use of the RPIS by developers, community groups, and neighborhood planners, with little or no need for ongoing support from public agency staff.
2. *Examine existing information resources, devise methods for diverse information holders to share their data, and identify key data characteristics.*

Municipal and county government agencies in the Mahoning Valley possess real estate data that would support the design of a vacant property information system. Although the formats may not currently be compatible, base data such as the 2010 Plan survey, code enforcement data, and information on liens and foreclosure are essential. The design of the system should allow for this information to be merged and shared as seamlessly as possible. Implementing tools and systems for updating this information so as to create planning and reinvestment activities that respond to

the regional market is a critical next step. Specific characteristics of data should be identified and may include categories to track:

- the banks that own the mortgages on properties and have realtors/owners provide this information to the clerk at closing;
- lien type, when liens were assessed, collected, foreclosed, etc.;
- special assessments;
- repeat offenders and the properties they own; and
- a property's historic trends – value, taxes, and utilities – to provide baseline information for neighborhood health within the context of the overall market.

3. *Involve community partners.*

While YSU or another similar institution should be the lead agency for organizing the information contained in the RPIS, a diverse set of partners from the region will be responsible for gathering and ensuring the accuracy of data. Partners will assist by: 1) conducting vacant property surveys; 2) taking digital photos that can be integrated into the system; 3) testing and making use of new technology (e.g., hand-held computers for vacancy surveys); and 4) training new users. These partners will include:

- The City of Youngstown staff
- Mahoning County staff
- Residents
- Developers, real estate agents, and other private-sector parties
- Wean Foundation neighborhood organizers
- Community-based organizations such as Wick Neighbors, Inc.

4. *Develop a system that meets diverse needs effectively and efficiently.*

The design of the system should incorporate input through extensive interviews with stakeholders and targeted user groups. Issues to consider include:

- What fields, buttons, checkboxes, and other input controls are necessary for users to use the system most productively?
- What format would best facilitate the exchange of information as a single system may facilitate the sharing of disparate types of data from various sources?
- How should the system be planned and constructed in order to support the data it is intended to store and access, as well as the reports it is to produce?

Designers may want to consult with existing RPIS managers to identify lessons learned and incorporate these into the design of the system for Youngstown/Mahoning County. Perhaps operators of existing local systems would be willing to collaborate with Youngstown/Mahoning County, incorporating its needs into their existing systems.

5. *Conduct property inventories.*

Vacant property counts, digital image inventories, and building conditions surveys help to create a picture of block, neighborhood, and citywide health. The aforementioned partners would collectively assist in gathering and periodically updating this information. By having a continuum of information, areas where conditions are improving can be identified, potentially highlighting successful strategies and assets to build upon. Likewise, unsuccessful strategies can be retooled in areas where conditions continue to deteriorate.

- Vacant property counts, if completed on a regular basis, can provide insights into patterns of reinvestment and disinvestment. Community residents and students could complete such surveys, possibly starting with neighborhoods surrounding civic assets such as schools.
- Digital image inventories can be attached to the RPIS to provide an initial visual conditions survey. Such activities could be completed rapidly and help to identify areas where limited resources should initially be targeted when completing more in-depth data gathering.
- Building conditions surveys could be based on the work completed during Youngstown's 2010 planning process. Using the same rating scale, newly gathered data could be compared against the 2010 information to provide an indication of how buildings, blocks, and neighborhoods have changed over the past five years. This information could be used to identify strategic areas where intervention is necessary. An invaluable part of this survey is access to the interior of the building as it allows a more comprehensive picture of the condition of the structure.

6. *Integrate mortgage and tax foreclosure data into the design of the RPIS.*

In the design and development of a comprehensive real property information system, Youngstown and Mahoning County should track existing property foreclosures (both tax and mortgage), their location, their relationship to types of sales or transfers, their relationship to types of loans and to loan servicing and trends over time. Such data would be critical to city agencies and nonprofit groups so they can target programs to neighborhoods most in need of assistance. Gathering these data will require coordination of numerous partners, including the city and county record and financial departments.

7. *Design The RPIS to provide data that can support targeted reinvestment, education and outreach, and vacant property prevention.*

The RPIS should be able to identify which neighborhoods should be targeted for reinvestment and which should be targeted to provide assistance for existing resident's to relocate. In addition, the system should support educating officials and the public about the importance of devising successful strategies to stem the creep of vacant properties into areas outside the city.

Short-Term Actions

As the VPI information systems working group begins to develop the RPIS it will need to assemble the pieces for developing a coordinated computerized data management system. Although key departments in the city currently lack the human and financial resources to fully develop a computerized tracking system, the transition away from a paper-based method of case management to recording cases in a database program such as Access is a valuable exercise. This information, identified by parcel/lot number, can eventually be included into the comprehensive system. The building department indicated it implemented “simple procedural changes” to allow a case to be tracked from beginning to end—the replicability of these changes should be investigated for other city departments. The RPIS creation and management should be streamlined so as to minimize strain on workforce.

Partnering with local educational institutions such as high schools, colleges, and workforce training programs could provide the human resources to undertake such an effort. Using the same rating scale, the newly gathered data can be compared against the 2010 information to provide an indication of how buildings, blocks, and neighborhoods have changed over the past five years. This information could be used to identify strategic areas for investment of the limited resources available. These partnerships may also open up access to potential funding streams for procuring the necessary equipment such as PDAs and other digital recording devices with GPS capabilities. The Wean Foundation’s organizers may be valuable on both fronts of this task, whilst also engaging community residents in a similar light as was completed during the 2010 process.

The **enforcement of existing ordinances** such as the landlord registry will generate valuable data for the RPIS. Streamlining the administrative code enforcement penalty process will reduce the strain on both the housing court and the codes department while generating RPIS data. A vacant property registration system and a receivership program could be valuable tools for Youngstown and Mahoning County that would rely on and benefit from a RPIS.

Using indicators such as repeat code violations, criminal activities, accumulation of liens, and an increase in tax delinquent properties in a neighborhood, a pilot RPIS should be developed to help prevent the creation of more vacant and abandoned properties. This early warning system should be used to strategically allocate prevention activities, stabilizing neighborhoods or areas of neighborhoods in danger of slipping into a condition of additional blight and disinvestment.

Mid- to Long-Term Actions

The City of Youngstown and Mahoning County both operate databases with important information about real property for use in an effort to create a RPIS. However, the RPIS must synchronize city and county systems if it is to be a multipurpose and truly regional resource capable of yielding both aggregate and fine-grained data for use in addressing and abating vacant properties throughout the Mahoning Valley region.

Funding and staff limitations will prevent the development of an RPIS by YSU or another entity at the scope of other national models (i.e. Neighborhood Information System at the University of Pennsylvania and the Northeast Ohio Community and Neighborhood Data for Organizing (NEO-CANDO) at Case Western Reserve University) in the short term. However, over the long term YSU or the Public Library of Youngstown and Mahoning County could serve as homes for the system, helping to develop and implement it with their unique ability to gather and manage data. MSASS and the Center for Urban Poverty and Community Development may also be considered a home for the RPIS as Youngstown is located within Northeast Ohio and NEO CANDO provides a solid foundation upon which to develop. In addition, they may provide access to unique funding sources, such as philanthropic foundations, not otherwise available to public entities.

The data collected in the Lien Forward Ohio initiative are valuable for identifying potential land bank properties where long-term maintenance and holding strategies are essential. As the data can be broken down yearly, they can also be useful for identifying areas in the suburban communities where vacant properties may be gaining a stronghold and prevention strategies are necessary.

PROGRAM BRIEF NO. TWO

Code Enforcement Strategies and Tools

Code enforcement is the legal process by which local governments gain compliance with applicable land use laws (planning and zoning), building and housing regulations, health codes, and development procedures/permit conditions designed to protect the public's health, safety, and quality of life.

Youngstown and the suburban towns and cities within Mahoning County each have different needs for improving their code enforcement programs and policies to prevent vacant properties and stabilize distressed neighborhoods. The challenge is having systems in place that facilitate selecting the right code remedy for the right property at the right time. This supplement to our assessment report offers city, county, and suburban officials a systematic approach for expanding and coordinating their respective code enforcement policies and programs to address the variety of problem properties in their neighborhoods.

Code Enforcement Fragmentation in Youngstown¹

From our study visit and subsequent conference calls, we observed that the City of Youngstown lacks consensus around a comprehensive code enforcement system. They have the basic institutional players in place: 1) code enforcement inspection unit; 2) housing court prosecutor; 3) administrative Housing Code Appeals Board; and 4) housing court judge. **However, these major code enforcement entities are not in sync with each other and do not share a common vision about the future direction of code enforcement.**

Reform of Youngstown's code enforcement system is not new. In 2001 the former mayor convened a Housing Code Enforcement Task Force that set forth many sound recommendations. A few of those recommendations were followed, such as the adoption of the special code enforcement docket in municipal court and the institution of an administrative orders program. Unfortunately, it seems shifting city priorities, lack of commitment and capacity, and dwindling budgets have made it difficult to move these ideas beyond the pilot stage.

The continual deterioration of the housing stock and rapid decline of certain neighborhoods makes the code enforcement environment in Youngstown somewhat overwhelming. It is much harder to persuade property owners to repair and keep up their properties when across the street one finds two or three seriously dilapidated homes along with several vacant properties. The cumulative impact of the following challenges inflicts a heavy toll on everyone's morale and ability to perform their jobs in an effective and efficient manner.

Code Enforcement (CE) Unit: The city's CE unit faces daunting challenges when compared with other Ohio cities. First, they lack sufficient staffing to simultaneously

¹ We did not have sufficient time to meet with the code enforcement officials in suburban jurisdictions (e.g., Austintown, Boardman, etc.); however, many of the strategies and recommendations discussed in this report are relevant to them as well.

address the huge inventory of abandoned homes that must come down and then inspect and enforce housing codes against occupied properties. At one time the CE unit had one inspector assigned to each of the city's seven wards, along with a CE unit director and support staff. Currently they have one code enforcement manager, four inspectors, and one certified code enforcement officer who works citywide.² The CE unit is essentially operating at half of its former strength with at least double the demands for their assistance.³

Second, the property conditions and types of cases are more intense and complex given the intractable nature of blight and increasing numbers of vacant properties.⁴ Code enforcement in Youngstown is also battling theft and vandalism of vacant properties. The CE unit does not have sufficient funds to board and secure; and even if they did it might not make sense without backup from the police department to take property stripping offenses seriously. Failure to aggressively attack vacant properties then leads to arson and increased demands on the staff and resources of the fire department. In addition, the poverty level remains quite high in many of these neighborhoods so owners do not have sufficient funds to rehabilitate and repair aging housing stock.

Third, the CE unit lacks a comprehensive, computerized information system that tracks cases from the opening phone call or referral, continuing through the issuance of notices and citations, and culminating with compliance by administrative appeal or court decision.⁵ CE inspectors write their notes in the field and then an administrative person in the office enters the information into a Microsoft Access data base and does the follow-up noticing and letter writing to the property owner. A modest investment in simple code enforcement software that can be accessed via PDAs or computers in the field would go a long way toward improving CE unit efficiency and effectiveness. The system could also facilitate coordination and break down communication barriers by including other departments and agencies (e.g., health, police, prosecutor, court).

Regulatory Strategies: Youngstown currently does not actively use its code enforcement regulatory strategies. Several times in the 1970s and 1980s it attempted to enact a rental property registration and inspection ordinance, but ran into legal issues and political opposition. Several area towns have similar regulations, but the Mahoning County

² As a stopgap measure, the inspectors and CE unit select two city council wards each week and focus nearly all of their enforcement resources in those wards.

³ According to the 2009 budget, the CE unit will fill two of the former positions by this fall, with another two slated to come on board next fiscal year (July 2010).

⁴ A good indicator of how these challenges manifest themselves is the comparatively low rate of compliance with the issuance of warnings and administrative orders. One code enforcement CE inspector estimates that about 10 to 15 percent compliance rate on blocks with significant code violations and lots of vacant properties (which seems understandable), but only 50 to 60 percent compliance on streets with homes in relatively good condition and in stable neighborhoods.

⁵ In one case, the CE inspector issued a misdemeanor citation in 2005. The owner/defendant did not show for his arraignment date. The inspector knew but had no way of keeping track of the case during this period of legal limbo. Two years later the defendant was pulled over for a routine traffic violation and his records showed a bench warrant for failure to appear on the housing code citation. The inspector got a call to inspect the property ASAP and come down to court. A coordinated data base could minimize such confusing circumstances and improve communications.

Landlords Association and a small group of owners of large numbers of apartment currently oppose administration of any such ordinances. About 10 years ago, Youngstown passed a rental property “license” ordinance that imposes a \$20 per unit licensing fee. The ordinance, however, does not require annual or period inspections of these rental properties as a condition of getting the license. Recently the city did hire a person in the building inspection department to oversee the rental property licensing program.

Compliance Strategies – The Administrative Enforcement/Penalty Program: As a result of the 2001 Housing Task Force Report, the city adopted an administrative order program modeled after a successful program in Akron. The primary policy goal was to handle the simpler housing code cases where a compliance approach might be effective through the administrative process, such as messy yards and peeling paint. This would reserve the housing judge’s time for the more complex and egregious violations. The initial notice of violation typically gives the violator about 30 to 60 days to comply. After an initial warning, the ordinance provides a graduated civil penalty of \$100, \$500, and \$1,000 for each code violation. The property owner can appeal any of these orders to the Housing Code Appeals Board, comprised of seven citizens selected by the council and the mayor. At these informal meetings, the code inspectors present the city’s case. Typically the violator cannot effectively prove the property is not in violation so much of the debate is how and when the violator can bring the property into compliance. The Housing Code Appeals Board must determine whether the violator can bring the property into compliance. Only a small number of cases have ever proceeded beyond the initial notice and first citation of \$100.⁶

Many of these cases involved individuals who do not have the physical ability or financial means to comply. The Prosecutor and Housing Code Appeals Board have been working with a nonprofit group called the Neighborhood Improvement Corps (NIC) to provide assistance to this group of violators. They may do the work or recruit other agencies or individuals to lend a hand. However, the demand for this assistance far exceeds the capacity of NIC.⁷

When the CE unit had seven staff, it did start most cases with administrative orders, but had to suspend using them as they lost staff. The administrative citation program was significantly underused for roughly the next two years. Given the small volume of orders issued and appeals filed, the Appeals Board was inactive for several months in 2008. As of September 2008, the Appeals Board has about 20 pending cases on appeal that involve a wide range of properties and violations.

⁶ The prosecutor claims that if the CE unit issued the three citations in the appropriate cases, a threshold total of \$1,600 in civil penalties would make it more appealing to contract collection agencies and thus could perhaps ensure compliance and generate revenue to cover the CE unit’s staff time.

⁷ Youngstown’s Community Development Agency (CDA) gives grants to CDCs and other nonprofits to repair and rehabilitate properties. Why not condition these grants to require certain CDCs to devote a certain percentage of funds or minimum number of properties to cases that come out of the Housing Board of Appeals or Housing Judge?

While the administrative orders program seems fine on paper, the city does not seem fully committed to the program. Some of the current challenges include the confusion over who does what and the lack of staff capacity to manage the program. Inspectors claim they must conduct multiple reinspections (a minimum of four inspections if the person receives and appeals each citation) without the benefit of a computerized tracking program. Others claim that inspectors do not need to reinspect unless they were to initiate a second and subsequent round of penalty orders. Another challenge is the lack of rehabilitation and cleanup assistance. NIC appears to be the only option, with some assistance from local nonprofits. They are about to establish a neighborhood tool shed in the next few weeks to help owner occupants with necessary cleanup and repairs.

Criminal Prosecutions, Misdemeanor Citations and the Housing Docket:

Youngstown's CE unit seems to rely almost exclusively on criminal citations that go directly to the housing court as its primary code enforcement strategy.⁸ On occasion the unit may refer a case to the housing court prosecutor to prepare and seek a summons from the court. However, they prefer to have the city's lone code enforcement officer and two special Sheriff's deputies issue the misdemeanor citations. Per local ordinance, housing code violations are misdemeanors of the 3rd degree, which under Ohio statutes brings a maximum fine of \$250.00 and 60 days in jail for each code offense. Illegal dumping and litter code violations are unclassified and carry a penalty roughly equivalent to that of misdemeanors in the 1st degree (maximum fine of \$1,000 and 6 months in jail).

Another recommendation from the 2001 Task Force Report was to institute a housing court based on the successful model in Cleveland.⁹ Youngstown does not have Housing Court in the same way as Cleveland, Columbus, or Toledo. Pursuant to local court procedures, a municipal court judge hears housing code cases for one day of the month. Essentially a special hearing date is set when the violators come into court for arraignment. The housing court prosecutor (e.g., a member of Youngstown's law department) appears at trial and sentencing on these cases.

As we understand it, the Housing Judge adopts more of a diversion model as opposed to an enforcement court. Like a special drug court, the Housing Judge dismisses the cases once the violator can bring the property into compliance. Most defendants pay some modest fine and only a handful over the past three years have actually gone to jail. According to the Prosecutor's Office, about 90 percent of the properties that come before the Housing Judge come into compliance. Most of the cases involve exterior violations.

⁸ The CE unit's one certified code enforcement officer works closely with the two sheriff deputies to issue these misdemeanor citations primarily for exterior violations around property. Curiously, these two full-time Sheriff deputies are funded in part by the Youngstown CDA and a grant from Mahoning County's Green Team initiative

⁹ Note that Cleveland operates a full-service housing court chartered by state law as a court of common pleas for all housing related offenses. It can hear criminal prosecutions or civil cases seeking receivership remedies and injunctive relief. The City of Cleveland funds the Housing Court, and the judge must run for office every four years.

Criminal Prosecution

General observations about the strengths and weaknesses of using criminal prosecution against problem properties:

- Criminal prosecution requires the defendant to appear in person (property owner) so the city must ensure the property owner gets proper notice either through the prosecutor's complaint and service of the summons or when a code enforcement officer issues a misdemeanor citation.
- In cases of out-of-state owners, criminal prosecution may not work because of the low probability of out-of-state service and extradition.
- For cases with out-of-town owners that still reside in the state, the city may still proceed with criminal prosecution. If the person does not appear, however, the case may languish in legal limbo until the owner might be arrested for another charge (e.g., is pulled over for a traffic violation and outstanding bench warrant).
- Fines are often too low for severe or complex cases.
- Rarely does the court impose the maximum penalties—the judge is more likely to suspend fines and dismiss the case once the defendant shows compliance.
- Final judgment of the court applies only to the person and not to the property; thus, the court cannot impose a “conditional sentence” or terms of probation that would cover future violations on the same property.
- Criminal prosecutions often involve property owners who do not have the financial ability to make the repairs to their properties—cities apply the same code enforcement approach against slumlords as well as single-family home owners who defy the NOV and the code.
- Few programs are available to assist good faith property owners and property managers pay for the costs of repairs and rehabilitation.

Civil Judicial Actions – Injunctive Orders and Receivership: Another important code enforcement remedy is the ability to file a civil complaint in the court of common pleas seeking injunctive relief and/or the appointment of a receiver. Youngstown has not used this remedy in the past, and it is unlikely to do so in the near future given the current capacity of the CE unit, the prosecutor, and the courts. Receivership, however, is a highly specialized civil remedy that can address a multitude of code enforcement problems. Civil courts in most states have general equitable powers to appoint receivers to minimize waste, preserve assets, and maintain properties. Receivership requires the close coordination of many critical players. Several states, such as New Jersey, Ohio, and California, have special housing receivership statutes that apply to substandard housing and vacant properties. Ohio is one of the few states with a fairly robust and detailed substandard housing receivership law.

These receivership laws provide local governments and community development organizations with a powerful tool to repair and, in certain cases, to acquire these significantly substandard properties. Receivership could apply to rental properties as well as to those that are owner-occupied. Beyond enactment of such housing receivership laws, even in those states with such legislation many cities have been unable to institutionalize sound receivership programs and practices. Communities would need to:

- Build a local network of public, private, and nonprofit organizations that could act as receivers of substandard and abandoned buildings; this may require several of the region’s community development corporations (CDCs) to shift their attention away from land assembly and new housing development toward rehabilitation and receivership.
- Identify and procure dedicated funds to support receiverships and rehabilitation; in the short term, perhaps obtain seed funding from local or statewide foundations that could support a pilot project with several nonprofit organizations acting as receivers.

Ohio’s Receivership Law for Vacant Properties

Section 3767.41 of the Ohio Revised Code authorizes a municipality, nonprofit housing development corporation, or nonprofit organization to file a civil court action that seeks the appointment of a receiver to take control of a substandard or abandoned building. The plaintiff must provide sufficient evidence that the property’s conditions create a public nuisance—a relatively easy task in the case of most abandoned buildings and vacant properties. The court can then issue a civil injunction or abatement order that gives the property owner or responsible party a reasonable opportunity to abate the public-nuisance conditions before the court appoints a receiver.

If the owner fails to comply with the abatement order or fails to respond to the lawsuit (e.g., if the owner cannot be found), the court can appoint a receiver, who can then make the necessary repairs to rehabilitate the property. Because the receiver’s costs have a higher lien priority than do existing mortgages and encumbrances on the property, the law requires that all parties who have a financial interest in the property get notice of the civil action and appointment of the receiver. Before the owner can legally reclaim the property, he or she would need to pay the receiver’s repair costs and associated liens. Otherwise, the receiver and/or the local government could acquire the property through foreclosure.

Nuisance Abatement Demolitions and Judgment Liens: Youngstown has the standard nuisance abatement ordinances and programs to tackle vacant properties. They board up secure vacant and open buildings only on a complaint basis. Given the intense level of blight in most neighborhoods and the high rate of property stripping and vandalism, Youngstown does not have enough funds to make this strategy effective. Such a policy pretty much guarantees these buildings a slot on the city’s demolition list.

As of August 2008, the city had roughly 1,000 structures on its active demolition list, but inspectors believe they could easily triple that list with sufficient manpower and demolition dollars.¹⁰ For 2008 they predict they will demolish over 500 residential and

¹⁰ Building on the demolition list must be uninhabitable, substantially dilapidated/deteriorated over time, have a bad roof and/or foundation, or sewage draining issues; about 70 percent of these structures have open doors and windows.

commercial structures, about the same number as in 2007. The code enforcement unit manages the demolition program--they spent about \$250,000 hiring private contactors for 2008. The typical RFP is for around 50 to 60 structures per contact. Although there are no formal policy or selection criteria, the code enforcement unit does its best to bundle the demolitions into the same region of the city, although demolitions are rare on the west side of town. The CE unit works with the fire department, which does most of the emergency demolitions with a budget of \$135,000.

In terms of cost recovery, the city does not appear to aggressively pursue its legal options. While it could file a nuisance abatement assessment/lien on the property itself, most if not all of these properties have such low value and/or outstanding liens and encumbrances, the city is unlikely to ever recoup its costs.¹¹ The sale of tax liens makes the traditional nuisance abatement lien process even more complicated and cumbersome. Now the City in certain cases will file a judgment lien against the individual property owner, but it is unclear how often the city uses a collection agency or files a civil law suit to collect on these judgment liens.

Recommendations and Model Programs

Everyone within Youngstown's code enforcement programs is passionate about what they do. They also recognize how important code enforcement is to the health of Youngstown's neighborhoods and community. They understand that an aggressive code enforcement effort can prevent further blight and vacant properties. One could easily surmise that cities that have made commitments to fund code enforcement programs, such as Dayton, Ohio, do not have proportionately have the same level of blight and decay as Youngstown. As one inspector put it, we have to change the attitudes of property owners out there.

Despite the high level of professional and individual commitment to code enforcement, Youngstown lacks a comprehensive code enforcement system that everyone supports. They need a framework that clearly outlines roles and responsibilities: Who will take the lead with what cases and when? There is no mission statement for code enforcement in Youngstown, and no sense of how the pieces fit together. Many of the departments engaged in code enforcement (e.g., CDA, Waste Water, Fire, Building, Health, Economic Development, Housing, and Zoning) meet about once a month to coordinate inspectors, and outline roles, but these meetings focus predominately on new development or special projects and not code enforcement.

The first priority for Youngstown is to reenergize and reshape its internal code enforcement structure and operations. Here are a series of step-by-step, short-term ideas for the city to consider:

1. *Develop a coordinated, multi-departmental code enforcement management framework* by first convening a management workshop to focus on code enforcement mission, goals, overarching policies and a collaborative management structure. They should then engage inspectors and other staff to work on various

¹¹ Although the City could, in theory, foreclose on these liens and quickly take ownership of the property.

elements, such as inspection and communication protocols and legal guidance on the remedy selection, etc. One of the initial issues for the group to examine is code enforcement's formal structure. From the city management perspective we heard ideas about bringing together all city enforcement inspectors/officers into one unit (they are currently scattered over several departments) under the Community Development Agency. This reorganization only makes sense if it will improve the effectiveness and efficiency of the city's code enforcement efforts, but the city should take the time to consider this and other possible models.

2. *Form a cohesive and collaborative Code Enforcement Leadership Team from the managers and director of the core code enforcement entities.* The prime candidates would include the CE unit manager and the housing court prosecutor, but managers from building inspection, health, zoning/planning, police, fire, and public works departments might also make sense. This team should meet virtually every week to go over individual cases and review/modify code policies to ensure the success of the new management framework (see text box below on case and remedy selection). They should also routinely meet and consult with the Housing Judge and the Housing Code Appeals Board to ensure actions taken by the city are coordinated with these adjudicatory systems.

Code Enforcement Remedy Selection Process and Criteria

As the city revamps its code enforcement management team, it will be critical to devise a collaborative process and adopt a policy for taking appropriate code enforcement actions. Typically when a person fails to comply with early notices and demand letters, most local governments initiate enforcement actions by using one of three fundamental legal remedies: 1) administrative hearings and nuisance abatement; 2) civil judicial enforcement; and 3) criminal prosecutions/citations. Civil and criminal actions typically require a government attorney to file a legal complaint in court. Some cities use police officers and certified code enforcement officials to issue misdemeanor and infraction citations. Administrative remedies generally allow local building or fire officials to conduct a public hearing before a designated hearing body or hearing officer. Each approach has its strengths and weaknesses. State and local policymakers should fully understand these tradeoffs as they attempt to select the most appropriate enforcement remedy for the particular type of nuisance property and profile of the property owner.

Selection of the appropriate legal remedy lies at the heart of comprehensive code enforcement. Matching the right remedy to each situation can save enforcement agencies resources, enhance credibility, minimize the exposure to civil lawsuits, and ensure effective compliance. Consequently, code enforcement managers and their municipal attorneys must devise a collaborative decision-making process that takes into account the relative strengths and weaknesses of these legal remedies in light of the property/neighborhood condition and property owner profile. Each of these factors defines the nature and scope of the potential code enforcement tactic.

3. *Establish a neighborhood targeting strategy in partnership with existing neighborhood initiatives (e.g., CDA and MVOC).*¹² For the foreseeable future Youngstown will have limited resources and code enforcement capacity; thus, it must find ways to ensure it targets the right code enforcement strategy to the right place. Deploying its code enforcement inspectors and tailoring its enforcement actions to those neighborhoods that have already been targeted for support by the CDA as part of its 2010 planning effort and the MVOC makes the most sense so additional resources and assistance are available to residents with properties in violation. Such a strategy must be based on a current and refined typology of neighborhoods; a typology is especially important for demolition of vacant properties.¹³
4. *Establish a community-based code enforcement partnership program.* Many cities have citizen volunteers perform a variety of administrative tasks, simple neighborhood condition surveys, and monitoring activities. Youngstown could use help in setting up and maintaining a property conditions data base or perhaps a temporary code enforcement case tracking system. Citizen volunteers can also hand out warning notices to owners in their neighborhoods and coordinate workshops on property maintenance tips and techniques. They can also partner with the city and local businesses to organize neighborhood cleanup. Perhaps the MVOC could take the lead in recruiting citizens and managing some of these activities in their target neighborhoods. After the city solidifies its internal code enforcement structure, it should develop a strategic, multi-year work plan that could include any of the substantive policy and programmatic initiatives described below. These policies are listed with a suggested order as each step builds on the previous one. It would also make sense to start these initiatives with pilot demonstration projects in a few select neighborhoods before expanding them citywide.

Depending on resources and time, the recommendations above could be achieved within a 6 to 12-month timeframe. However, the city should also explore reinforcing the code enforcement infrastructure and capacity through **a series of mid-to-longer range recommendations:**

1. *Design and implement a code enforcement case tracking system.* This must be the first priority once the city's internal operations and new management structure are in place. Such an information system that cuts across all city departments involved in code enforcement will be critical to maintaining strong lines of communication and coordination within and outside of the city.

¹² Perhaps the state and/or local Neighborhood Stabilization Program funds could be used to develop a neighborhood typology and strategic action plan for demolition and acquisition of vacant properties.

¹³ During our visit, most participants identified neighborhoods such as the Central Business District, Idora, and areas within Ward 4 as being transitional and worthy of rescuing if they action can be taken soon. Other areas seem likely candidates for demolition and reclamation strategies, such as the eastern half of Ward 6, Oakhill, and Ravenswood Avenue.

2. *Commission a code enforcement systems assessment.* After NVPC's 2004 *Cleveland at the Crossroads* report was released, NPI, with support from the Cleveland Foundation, brought in a local systems expert to work with the city's code enforcement unit to develop in-depth flow charts for each of the city's existing code enforcement programs and initiatives. This process evaluation tracks the roles and activities at each step for each remedy. A similar examination for Youngstown would set the stage for subsequent remedy reforms (e.g., rental licensing, administrative orders, misdemeanor citation, etc.).
3. *Establish a special senior inspector to run the processes for administrative penalty, rental licensing, and other regulatory measures* (e.g., vacant property registration, routine rental inspection ordinances, etc.). Youngstown's experimentation with administrative orders and rental licenses ran into trouble because of the lack of staff. These regulatory remedies require a dedicated person(s) to run these programs to ensure notices are issued and tracked, hearings scheduled, and penalties collected. These programs, if designed right and administered well, can not only cover their costs, but in some cases generate a surplus that can partially support other code enforcement activities.
4. *Explore the use of civil judicial actions* (especially receivership) for complex cases that involve multiple properties and out-of-state lending institutions.
5. *Explore the expansion of the Housing Judge's code enforcement docket* into a full time Housing Court.

We recognize the city cannot implement each of these recommendations because of limited budgets and capacity. No doubt several of these ideas will require a closer examination as to how and when they could be adopted. We believe, however, the recommendations offer the city and its community partners a great starting point for devising a more collaborative and comprehensive approach to code enforcement that everyone can get behind.

Establish a Network of Suburban Code Enforcement Practitioners

By its very nature, code enforcement is limited to codes and ordinances within a local government jurisdiction—thus, code inspection staff in one city rarely works with the corresponding staff in another. Most code enforcement departments struggle just to manage their own case loads and complaints, let alone have the time or interest to reach out to their counterparts in neighboring jurisdictions. Yet, speculators and slumlords likely own properties across several jurisdictions within the region.

Mahoning County's surrounding communities and local governments could benefit from coordinating many of the strategies and tools, such as the repair and revitalization fund and civil judicial actions, across cities and towns throughout the region. A regional network of code enforcement officials engaged with housing-code cases and vacant properties could establish routine communications and problem-solving opportunities with community development practitioners and programs throughout the Mahoning

Valley and Warren. Such a network could also build consensus around enforcement priorities, identify target problems or neighborhoods, and develop a longer-term agenda for reforms at the state and local levels.

Strategies for sharing information and coordinating investigative staff would likely require informal agreements among the jurisdictions but would not necessarily require any changes in local laws. Beyond regular meetings, the network could also consider creating a password-protected ListServ to discuss issues and solve problems routinely. Such a network might develop template ordinances for suburban municipalities. Suburban communities will need legal changes to respond effectively to their vacant property challenges. Ordinance templates for municipalities to adapt could include an ordinance for local cost recovery of reinspection fees and an ordinance for rental housing inspection. Perhaps Mahoning County or a regional council of governments could convene and facilitate the sharing of strategies, tools, and information as was done in Hamilton County, Ohio in cooperation with a state or regional association of code enforcement officials.

Hamilton County's Regional Code Enforcement Network

During 2004, the Regional Planning Commission in Hamilton County, Ohio (Cincinnati region) convened a series of workshops and trainings for its local government members on code enforcement and property maintenance ordinances for addressing neighborhood blight. In cooperation with the Professional Association of Code Enforcement (PACE), Hamilton County compiled a wealth of resources and information (e.g., handbooks, PowerPoint presentations, and case studies) on the following topics:

- Property Maintenance for Elected Officials and Administrators
- Property Maintenance—Effective Enforcement
- Legal Aspects of Code Enforcement

For more information, see www.planningpartnership.org/prop_maint

PROGRAM BRIEF NO. THREE **Land Banking and Tax Foreclosure Systems**

The fortunes of Mahoning County and Youngstown will depend on strategies that rebuild neighborhoods and healthy markets for housing, small businesses, and jobs. With one of the largest per capita inventories of vacant and abandoned properties, however, Youngstown faces a tremendous barrier in attracting sufficient private reinvestment to rebuild these distressed markets. The vacant property problems within the city significantly impede the ability of the county and the entire region to grow and sustain functional markets. Moreover, blight and abandonment are now spreading into suburban jurisdictions and throughout the county as a result of the current foreclosure crisis and nationwide recession.

Youngstown suffers not only from a significant saturation of abandoned homes, businesses, and factories because of shrinking populations, but also weak regional demand. In certain neighborhoods the demand is so weak that many of these properties will likely be taken off-market and the structures demolished to transform vacant land into “green infrastructure”—parks and greenways, perhaps even urban farmland that can promote more sustainable growth where demand can be nurtured. By controlling and managing vacant properties as land assets and not just liabilities, Youngstown and Mahoning County have a realistic chance to stabilize regional markets, reverse the decline of the city, and prevent blight and decay from gaining a permanent foothold in nearby suburban communities.

The experience of other communities with large inventories of vacant properties suggests Youngstown and Mahoning County need a common land bank—a single-purpose program or public entity responsible for the acquisition, management, and disposition of vacant and abandoned properties (including the inventory of tax-foreclosed properties within the community). The details concerning the institutional home of such a land bank can be debated, but the city and the county clearly need the systematic approach to property reclamation that a land bank can offer. Neither the city nor county officials can afford to tinker with incremental and tentative policies, given the mounting number of vacant properties: The longer they wait, the worse the problem becomes.

Given market failures in the city and its spillover effects throughout the region, city and county leaders should adopt and implement a regional land bank model. Youngstown must control its own destiny and therefore should manage the decisions over acquisition and disposition of properties within its neighborhoods, but does not have sufficient capacity, expertise, and resources (now and in the immediate future) to operate its own land bank, especially an entity that can handle the volume of vacant properties that need reclamation. As this section explains in more depth, we propose a joint venture between Youngstown and Mahoning County to operate a regional land-banking program that blends the strengths of Youngstown’s neighborhood planning and community development programs with the technical, real property acquisition and disposition capacity of the county and Lien Forward Ohio.

Youngstown's Land-Banking Experience and Capacity

In 1996 Youngstown began its land reutilization (land bank) program, adapting lessons learned from Cleveland's land-banking experience. The program is housed within Youngstown's Community Development Agency and currently has one staff person managing a portfolio of approximately 500 to 600 vacant lots. Overall, Youngstown's experience with land banking appears limited to operating more as a facilitator of immediate land transfers and less as a long-term holder and manager of vacant properties. In the program's early days, Youngstown was quickly inundated with over 700 applications to acquire vacant properties, mostly from adjacent property owners wanting side lots.¹⁴ Youngstown worked closely with Mahoning County's attorney to process the real property transfer and paperwork. Because of staffing levels, Mahoning County could only process about 125 applications per year, even though the city paid for title searches by an outside firm. A backlog of cases soon arose, so the County Treasurer proposed processing *in rem* transfers, but the County Attorney's Office asserted that bulk processing of tax-delinquent properties may not provide sufficient constitutional notice under Ohio law. Others also raised questions about the quality of the titles acquired through such *in rem* proceedings. The Ohio General Assembly, the state's legislature, eventually eliminated this option for land banks. Even today Youngstown's ability to acquire vacant properties is limited by the number of judicial foreclosures the County Attorney could process. Occasionally the City of Youngstown employs a law firm to initiate its own foreclosure actions on tax-delinquent properties.

With the sales of tax liens by the County Treasurer in 2004, it became more cumbersome and costly for the city's land bank to acquire vacant property. Instead of using deeds in lieu of transfer for tax delinquency, the city must now purchase the liens like any other interested party. If the lien has been resold (as is often the case), it may take more time for the city to track down and negotiate the purchase of that lien with an out-of-state investor with few ties to Youngstown. Moreover, the cost for a vacant parcel rose from a few hundred dollars to a few thousand dollars, as the city must pay off the taxes and interest on the lien (the lien holder's profit). In many cases where the current property value is worth substantially less than these outstanding debts, it has become uneconomical for Youngstown to acquire these vacant properties with investor-owned tax liens.

The Tax Foreclosure System and Tax Lien Sales

Any state's property tax foreclosure system is a powerful revitalization tool for localities to acquire properties and facilitate reuse and redevelopment. Where the abandoned property inventory is predominately tax delinquent, the process of selling tax-delinquent properties allows communities to gain control of such properties and return them to productive use. Foreclosure is designed for debt collection; it can be an uncertain and cumbersome method for conveying a clear legal title for low-value, blighted, or environmentally compromised property. Further complicating matters, many Rust Belt

¹⁴ It is not clear from the study team's interviews whether the City of Youngstown was able to respond and efficiently manage the 700 initial applications; we could also not determine how many of those applications resulted in property transfers given the County Prosecutor's capacity to process only 125 foreclosures per year.

cities have privatized these tax debts by selling the collection rights to private entities through a tax lien process. Nonetheless, effective land-banking programs must navigate through the tax lien sales process and strategically use property tax foreclosure as an important tool for controlling and recovering abandoned real property.

Property Tax Foreclosure System: State law mandates foreclosure on tax-delinquent property, but tax foreclosure processes are generally designed to encourage and help taxpayers to pay the back taxes and impositions to avoid foreclosure and sale of the property. Taxes are repaid in the vast majority of cases. The use of tax foreclosure for acquisition and assembly of vacant and abandoned properties should be considered with care; but when it comes to vacant and abandoned property, several states, including Ohio, have passed “fast track” tax foreclosure legislation to expedite the time it takes to get control over those properties to prevent blight and decay.

Ohio’s Fast Track Foreclosure Legislation

A 2006 Ohio law now gives county treasurers the authority to use a special summary foreclosure procedure for tax delinquencies involving permanently unoccupied property.¹ Where the total amount of delinquent taxes and assessments exceeds the fair market value of the property, the property can be deeded directly to a municipality in lieu of taxes without a sheriff’s sale. Because of this state law, Ohio municipalities with land banks may more swiftly get vacant and abandoned lots and buildings under control and readied for redevelopment.

Ohio’s legislation follows the lead of recent successes in Michigan with its two-track property tax foreclosure law. In 1999 Michigan adopted Public Act 123, which empowers the state or the county to commence foreclosure after only two years of tax delinquency or after only one year for abandoned property as defined by state law. The Michigan law establishes a judicial foreclosure process that results in clear title through the court’s judgment. Under the 1999 law all tax dead property lost to foreclosure is initially titled to county ownership or to the state for the counties that choose to take title. Sales of property with positive value can then be deposited into a county Land Reutilization Fund to pay the costs associated with managing the entire inventory of foreclosed land not immediately sold.

The mere abandonment of real property by an owner does not automatically release or terminate an owner’s legal title to the property. A legal conveyance of the title from the title holder to a willing purchaser is required. Judicially supervised tax foreclosure sales result in a title to the purchaser free of all unpaid liens that otherwise make the title to the property unmarketable. Even if an owner wants to convey title to property, the conveyance may be impossible because the liens exceed the value of the property in the hands of the title grantee. Where, as in Youngstown, a growing number of unused and unusable properties are encumbered with liens, foreclosure by a debt collector is the only available tool for clearing title in preparation for repair, rehabilitation, or redevelopment.

Tax Lien Sales in Mahoning County: The sale of tax liens to private debt collectors involves important policy tradeoffs for city and county officials to carefully consider. In the short term, tax lien sales can provide local governments with much-needed revenue, but in the long term it can delay the revitalization of vacant properties and make it more complex and burdensome by taking away local control over the property and placing it in the hands of out-of-state private tax lien purchasers; such investors typically do not live in the city and have no interest in neighborhood well-being.

Prior to 2004, the City of Youngstown and Mahoning County independently exercised their tax collection authority by foreclosing on tax-delinquent properties. Recognizing that the high number of such properties within the county and for a large part of the city represented both a drain on the system and a potential source of revenue, the Mahoning County Treasurer petitioned the State of Ohio for the right to bundle and sell tax liens through a negotiated sale. The county received permission and, in 2004, bundled and sold 12,000 liens to American Tax Funding Services (ATFS), extinguishing \$38 million in debt. The contract with ATFS includes reselling any new liens in the previously purchased bundle for a period of five years, with each lien remaining on the properties for six years unless paid or foreclosed on by the lien holder.¹⁵ The sale and resale of tax liens has created a very complex process.

Included in the agreement with ATFS is a provision to allow the county to buy back liens through the Lien Forward Ohio program, an inter-municipal organization established by the regional Council of Governments (COGs).¹⁶ Like the city's land bank, which served more as a broker than a land holder, Lien Forward provides technical assistance to interested parties with approved redevelopment plans to purchase and foreclose upon tax liens. Lien Forward does maintain an active portfolio of property transfers. Between June 1, 2007 and Oct. 1, 2008, Lien Forward Ohio transferred 684 liens on 283 parcels. Of these lien transfers, 63 percent were to individuals, 29 percent to religious or nonprofit organizations, and 8 percent to businesses or governments. Parcels in the City of Youngstown account for 85 percent of these transfers. As of October 8, 2008, Lien Forward had 259 parcels in process; 224 parcels were in foreclosure. 28 of these parcels had been filed in the courts, 27 of which were completed and transferred. 35 parcels were completed and transferred via quit claim. To date, Lien Forward Ohio has collected \$9,634.50 in delinquent taxes on behalf of the Mahoning County Treasurer.

Recent GIS maps by Youngstown State reveals that private lien holders currently control a significant portion of unproductive properties in Youngstown. In many respects, tax lien sales shift the initial redevelopment opportunities away from city officials and community development organizations whose primary mission is to revitalize

¹⁵ The initial tax lien sales agreement is up for renewal in 2010, giving the County Treasurer the opportunity to carefully examine and evaluate alternative economic models for foreclosing on tax-delinquent properties.

¹⁶ Further research is necessary to understand the scope of powers given to these joint city-county endeavors. We assume a Council of Governments can exercise any of the essential powers of its authorizing entities (in this case the City of Youngstown and Mahoning County), such as the ability to acquire, manage, and transfer real property. If not, then our proposal for a collaborative land bank might require a different legal mechanism, or perhaps state legislation.

neighborhoods. The private lien holders have the power to foreclose upon the lien, gain control over the property, and hopefully rehabilitate and resell it. All too often, the purchasers of tax liens merely speculate on the market and do little to maintain the property itself. In a strong-market city, tax lien holders have a market incentive to do that. However, many of the properties in Youngstown are worth less than the outstanding tax liens and other encumbrances, making it unlikely a private investor will foreclose on the lien and take on the responsibility to rehabilitate or demolish the property. Meanwhile, these vacant, usually blighted, properties remain in a kind of tax lien limbo due to the city's and even the region's weak market conditions.

A Collaborative City and County Land Bank

While it is possible in theory to develop separate land bank operations within the city and/or county government, a successful and sustainable land bank operation would rely on the strengths of both entities, and therefore would best be created as a separate entity to be jointly governed by the city and county. A separate entity also removes some of the direct fiscal and operational burdens from participating jurisdictions.

Now is the time for the city and the county to explore how they can jointly operate a single land-banking operation--an entity that would strategically acquire vacant properties and abandoned buildings, maintain and manage these properties, and hold them as it works collaboratively under the guidance of neighborhood-driven revitalization plans to facilitate appropriate reuses. As demonstrated in other cities, properties effectively managed by land banks can increase property values in declining neighborhoods and support the financial structure of the bank itself.

Legal Authorities: The NVPC assessment team identified three major land-banking alternatives: 1) City; 2) County; 3) Quasi-Public or Nonprofit Entity. After a preliminary scan of relevant models and statutes, it does seem that sufficient legal authority exists to support any of these options (again, the city and county should consult with their respective law offices to confirm). Under ORC Chapter 5722, any political subdivision can establish a Land Reutilization program to acquire vacant lots or properties with structures that are unoccupied and deemed nonproductive. Cleveland and Columbus have two of Ohio's longest running land banks pursuant to this state law. Another option is to charter a quasi-public entity (e.g., Community Improvement Corporation) as Franklin County, Ohio did. Legislation proposed by Cuyahoga County Treasurer Jim Rokakis (HB 206 and SB 353) was enacted in 2008 to authorize a special land bank demonstration pilot for Cuyahoga County. While the act establishes a three-year period, local officials and state representatives should explore whether this legislation could be extended to Youngstown and Mahoning County in the next legislative session.

While not a true land bank, Lien Forward Ohio presents an interesting opportunity to gain access to properties which could populate a land bank housed within a regional Council of Governments. Currently Lien Forward possesses much of the capacity and governance requirements of such an entity (see discussion below). Utilizing Lien Forward Ohio, or a similarly structured new entity, seems a reasonable possibility for the formation of a Youngstown/Mahoning County land bank program. As a formally chartered Council of

Governments jointly funded by the city of Youngstown and Mahoning County, Lien Forward facilitates the property transfers of tax lien properties.

With the mounting daily pressures of managing the delivery of basic government services, it seems the City of Youngstown does not have sufficient staff and resource capacity to operate a land bank. Although the city has assembled land in the past, a more effective method of management and disposition would be to centralize that public function in the hands of an entity designed for that specific purpose. Given these current conditions it is doubtful the city alone (and for that matter the county) could operate a land bank initiative at sufficient scale to manage a portfolio of 5,000+ vacant properties. Operating either a city and/or a county land bank would pose great financial risk to each, as well as potential fragmentation and duplication of efforts.

How might a city/county land bank operate? We would suggest designing a joint city-county land-banking operation that draws staff, resources, and expertise from each. Here are a few preliminary thoughts and issues that would need in-depth discussions and negotiations between the city and the county.

- Governance Structure and MOU: Given past tensions the land bank must have joint management by the city and the county. Since most of the land bank's activities will likely occur within the city, the management structure and perhaps advisory board must include relevant city officials and community representatives. The city/county MOU might also give each partner sole disposition authority of land bank properties within their respective jurisdictions
- Information Systems and Geographic Information Systems: The land bank needs impeccable data so it can determine what to acquire, what it must maintain, and when and how it should dispose of property. It also needs the capabilities of translating those data through GIS mapping (Lien Forward Ohio currently has GIS capabilities, while the city relies on Youngstown State University). In the short term, the city and county could share existing real property information, but eventually the land bank would rely on the real property information system proposed in this report.
- Management Team and Common Space: Ideally the city and the county staff would work side by side in shared space so they could easily identify appropriate and strategic tax-delinquent properties and streamline the acquisition and disposition processes.
- Acquisition and Disposition Expertise: It seems that county staff currently has extensive knowledge of legal and land title issues, tax foreclosure and tax lien processes, and real estate development and property disposition rules.
- Property Management and Maintenance Expertise: The city, through its public works department, may be in the best position to “board and secure,” demolish, and maintain vacant and abandoned properties. No doubt some of these properties will be candidates for rehabilitation and occupancy. In those situations, the land bank may consider contracting with local community development groups or use the expertise of the Youngstown Housing Authority.

- Neighborhood Reclamation Plans, Community Engagement, and Marketing: The city and county must each control the decision of what properties to acquire and the assessment of potential reuse options. The city has an extensive neighborhood planning effort already underway so it would make the most sense to use those plans along with Youngstown 2010 to guide the acquisition and disposition of vacant properties. However, the joint land bank may want to tap the outreach expertise of the MVOC and the marketing and public communications strategies of Lien Forward.
- Capitalization Plan: Early on, the land bank should go through a technical exercise of developing a capitalization plan that can leverage its initial start up resources and any preliminary net proceeds from property sales. Any land bank would likely require an initial infusion of funds from a variety of sources, such as general funds, in-kind operation staff and support, perhaps demolition or infrastructure bonds, and public and foundation grants; however, the city and county should take this opportunity to rethink how modifying the current sales of tax liens might achieve the multiple policy goals of collecting delinquent taxes, raising revenues, and offering long-term fiscal support for a joint city-county land bank.

Franklin County, Ohio's land bank program offers further insights into how multiple government entities can collaborate to operate such a program.¹⁷ Pursuance to Ohio Revised Code Chapter 1724, Franklin County formed an independent Community Improvement Corporation to serve as the institutional home for its land bank. CICs have similar powers to those of land reutilization authorities to acquire, maintain, and dispose of real estate. This way, any tax-delinquent and vacant properties acquired by the County Treasurer (with assistance from the County Prosecutor) would be sent directly to the CIC to control and manage. Franklin County believed the CIC gave it maximum flexibility to address the vacant property problems. The County Treasurer coordinates the land bank program, and its staff does the pre-acquisition work in coordination with the County Prosecutor's Office. Under the CIC statutes, the County Commissions then appoint trustees and assign them various functions. One trustee would coordinate the tax lien sale program, while another would represent the county's community and economic development department. Another trustee would be appointed by the Mayor of Columbus and another by the Franklin County Township Association to represent the interests of townships and villages.

Model Programs – Genesee County, Michigan

Different from redevelopment authorities, land banks are typically governmental or quasi-public entities that focus on the conversion of vacant, abandoned, and tax-delinquent properties into productive reuse.¹⁸ They can assemble and hold multiple properties, eventually transferring legal title to responsible nonprofit and private developers. By taking the initial risk of preparing land in weak real estate markets, land banks can encourage private investment and create momentum for neighborhood

¹⁷ See generally www.co.franklin.oh.us/treasurer/landbank/index.html

¹⁸ Frank Alexander, Land Bank Authorities--A Guide for the Creation and Operation of Local Land Banks (2005) Local Initiatives Support Corporation.

revitalization and give priority to land uses that serve the public need (e.g., affordable housing, green buildings, mixed-use developments, etc.). Under our model, they could also assist with neighborhood revitalization strategies, administer urban greening initiatives, and oversee the demolition of abandoned buildings. Atlanta, Louisville, Cleveland, and St. Louis have some of the longest-running land-banking programs in the nation. Most of these land banks operate as programs within the formal structure of local government or are part of a larger city or county department. These programs vary in capacity depending on government support, market conditions, and community demands.

Flint and the Genesee County Land Bank

Attempting to reverse the economic misfortunes of Flint, Michigan, the Genesee County Land Bank (GCLB) is emerging as the nation's most comprehensive land-banking operation.^a Since 2003 the GCLB has demolished more than 800 unsafe and abandoned buildings, managed the rehabilitation of 90 affordable rental units and 80 single-family homes, and sold 500 side yard lots to adjacent property owners (Harvard University, 2007). GCLB also has a Clean and Green program that develops vacant lots for community gardens and pocket parks and experiments with alternative plantings to remediate contaminated soils.

The GCLB relies on three primary revenue sources for the management and holding costs of properties: (1) a state tax-foreclosure fee to fund staff, overhead, and basic maintenance; (2) land-sale proceeds for mowing, cleaning, and other routine cleanup; and (3) Brownfields Tax Increment Finance (TIF) revenue derived from a \$5 million land bank issuance of TIF bonds that covers the majority of demolition and site-preparation funding. Pooling all of these revenue sources together, the GCLB maintains an \$8 million self-sustaining land revitalization fund. A 2007 study by Michigan State University's Land Policy Institute (LPI) found that GCLB expenditure of \$3.5 million from 2002-2005 on rehabilitation and reclamation of tax-delinquent properties leveraged more than \$112 million in economic benefits for the City of Flint.^b

^aMichigan has the nation's most comprehensive land-banking legislation coupled with fast track tax foreclosure processes for vacant properties. Currently ten Michigan Counties have adopted special land bank authorities.

The state also operates its own land bank that now owns or manages more than 6,000 properties (Kildee, personal communication, February 15, 2008). See also <http://michigan.gov/dleg/0,1607,7-154-34176---00.html>

^bThe researchers examined profits from the sale and redevelopment of GCLB properties, the financial assets in the community by helping keep habitable properties out of foreclosure, and the subsequent increase in the value of adjacent homes and land.

Cuyahoga County's 2008 special land bank legislation would replicate many of the Genesee County land-banking powers by creating a regional County Land Reutilization Corporation to facilitate the reclamation, rehabilitation, and reuse of vacant, abandoned, tax-foreclosed, or other real property. It would also streamline certain elements of the tax foreclosure process, such as authorizing the sale of delinquent tax anticipation securities so that taxing districts would gain immediate use of tax revenues. The LR Corporation would help streamline and coordinate functions related to tax foreclosure, lien sales, and

also acquire bank REO properties. In terms of facilitating regional collaboration, cities and townships within the county could designate the new LR Corp as their land reutilization entity and enter into service contracts for inspection services, blight clearing, land management, and legal assistance packaged and customized for the needs of each city or township.

Financing the start of a land bank and its operations poses challenges to cities, such as Youngstown, with relatively weak fiscal capacity.¹⁹ Land banks typically receive funds from a combination of bonds; foundation grants; local funds; and sometimes federal and state housing, community, and economic development programs.²⁰ No doubt some level of federal and state resources will be necessary to help older industrial communities launch land banks, cover demolition costs, and finance land acquisition. **The VPI land-banking working group, with guidance from NVPC, could begin to identify existing resources, especially for start-up costs.**

Benefits of a Regional Approach to Land Banking

A new city/county land bank would have a simple but clear mission: to strategically assemble, hold, manage, and dispose of the city and county's most troubled properties. By creating a joint public enterprise with this as its singular mission, the city and county would benefit from a more efficient process of delivering underutilized properties to productive use, and would be empowered do so in a manner which considers the community's priorities for land reuse, as well as existing neighborhood plans, when acquiring and disposing of properties.

A regional approach further ensures the financial success and sustainability of the land bank. The fiscal stability of any land bank operation depends on the diversity of its real estate inventory--the more diverse it is, the more likely it will have a neutral impact on government. If it can acquire higher-value residential and commercial properties within the stable areas of the city and county, the land bank can channel some of these proceeds into defraying the higher carrying costs (demolition and maintenance) of those low- and no-value properties. By having a countywide focus, the land bank can manage the higher-risk properties with little risk to either the city or the county. Given the serious market dysfunction in many city neighborhoods, a city-only land bank runs the risk of eventual collapse.

The land bank's activities will vary from place to place. In Youngstown the land bank would concentrate on removing blight from those neighborhoods with huge concentrations of vacancy and abandonment; thus, moving the city several steps closer to achieving the right-sizing vision of the Youngstown 2010 Comprehensive Plan. The land

¹⁹ Funding for the proposed Cuyahoga County LR Corp would include the penalties and interests paid on current tax assessments. They estimate that capturing these penalties and interests on delinquent taxes could provide about \$7 million annually for Cuyahoga County. Secondary funding sources include the resale of properties, fees for managing mothballed properties, brownfields redevelopment grants, mortgage bonds, general county taxes, and so forth.

²⁰ The GCLB received an initial grant of \$250,000 from the C.S. Mott Foundation to design and pilot test its programs (Kildee, personal communication, February 15, 2008). **Perhaps the VPI land banking working group could also seek foundation support for a land bank planning grant?**

bank would take a more surgical approach to address the vacant properties scattered throughout the surrounding suburban towns.

The land bank would be in the ideal position to more efficiently acquire and then prioritize the disposition of land depending on community and neighborhood conditions and markets. In those relatively stable or transitional neighborhoods, the land bank could support infill housing through transfers to nonprofit community organizations. Nonprofit CDCs can then assemble land for redevelopment in a more efficient manner and minimize property holding costs. For those neighborhoods with significant levels of vacancy and abandonment, the land bank could acquire tax-delinquent land for permanent green space as a strategy to stabilize neighborhoods and markets; the land bank could manage and maintain these properties or partner with community organizations.

Next Steps and Specific Recommendations

Legal and financial feasibility research: First, city and county officials should immediately consult with legal counsel (e.g., city and county attorneys and/or special land bank counsel) and request an official written opinion to determine whether they could amend the Lien Forward Ohio COG agreement to expand its responsibilities to include the acquisition, maintenance, and disposition of vacant properties. If not, the city and county should explore other legal options for the land bank's institutional home, consulting models and documents such as: 1) Ohio Revised Code Chapter 5722 that governs land reutilization programs; 2) recently enacted legislation proposed by Cuyahoga County Treasurer Jim Rokakis; and 3) the Franklin County model under a nonprofit Community Improvement Corporation (CIC).

Second, it would be ideal for the city and county to do a brief inventory of possible revenue sources and land bank operating costs over the initial start-up period of two years. Currently the city contributes \$90,000 annually to support assistance with acquisitions through Lien Forward Ohio; the county contributes \$25,000 annually along with in-kind support from the County Treasurer. The city and county should explore whether any of these existing funds and staffing could be leveraged to focus on the preparation of a joint land bank. Part of this analysis should also explore various financing structures and identify resources for initial start up of its operations.

Opportunities under the Neighborhood Stabilization Program: Under the funding allocations released by the U.S. Department of Housing and Urban Development (HUD) for its Neighborhood Stabilization Program, Youngstown will receive \$2.7 million to stabilize those neighborhoods with the greatest impacts from foreclosed and vacant homes. The State of Ohio also has more than \$116 million to allocate to local governments that did not directly get NSP funds, or to supplement the efforts of NSP grant recipients.²¹

²¹ U.S. Dept. of Housing and Urban Development, Neighborhood Stabilization Program Grants, <http://www.hud.gov/offices/cpd/communitydevelopment/programs/neighborhoodspg/> (last visited Nov 15, 2008).

According to the NSP legislation one of the authorized activities is the formation of a land bank to acquire foreclosed-upon properties. The city and county should explore how they could use these funds to capitalize a land-banking operation for the next two years to give it sufficient capacity to get up and running.²² Under the HUD NSP regulations the local government has a maximum of ten years to officially determine the end use (rental, home ownership, rehabilitation, and demolition) of all properties that go through a land bank. With regard to NSP plans without land banks, the city must determine that end use within the 18-month period. Another advantage of a land bank is that HUD regulations allow a land bank more flexibility to use funds for redevelopment projects (such as public infrastructure) and demolition of blighted structures--two critical needs within Youngstown.

An NSP land bank might also serve as an ideal vehicle for acquiring foreclosed REO (bank-owned) properties from mortgage servicers. All too often, low-value properties are increasingly sold off to speculators who only abuse neighborhoods with their marketing. They ignore code compliance and sell on the Internet to people who are inspired by TV infomercials.²³ A bulk sale of REO properties to a land bank could serve as a preemptive strike to prevent future vacant properties--something that Youngstown must avoid. Bulk sales to a land bank would be far better. **Perhaps the city and county could file a joint application with the State of Ohio for its supplemental NSP funds to support the formation of a joint city/county land bank that could acquire these REO properties within the city and the suburbs.**

Land bank management workshop: Once the city and county confirm the legal authority and prepare a general financial and fiscal snapshot, NVPC would be willing to design and facilitate a two-day retreat to work on the land bank's mission, organizational structure, staffing, and respective roles and responsibilities. During this retreat, we would work with the managers to create a preliminary process map and possible two-year strategic plan. The retreat's goal is to build consensus around a preliminary framework so the city and county could draft and execute a formal MOU to establish the land bank. If participants are fully engaged, the retreat might even produce a first-year work plan. The participants should include those city and county staff who will essentially manage and staff the land bank. **Perhaps this retreat could be coordinated with a special site visit to Flint, Michigan in early 2009.**

A quick and simple internal study of the current tax lien portfolios and tax lien sale systems: In light of the immediate (or some might say imminent) need for a land-banking program, we would recommend an analysis of how the current model of selling tax liens helps and/or hinders the ability of the city and the county to control land/vacant properties. Going into the retreat, we would suggest the County Treasurer and Lien Forward Ohio carefully examine the current performance of its lien portfolios and transfer transactions, assess alternative models (e.g., such as the sale of tax anticipation

²² Although the city's pending NSP plan does not currently allocate funds for a land banking operation of any kind, we understand that HUD will look favorably on amendments to NSP plans during the course of the 18 month program.

²³ Youngstown properties have appeared on various Internet real property auctions.

securities), and evaluate the impacts the current model might have on the ability of a land bank to easily acquire abandoned and vacant properties. Questions could include the following:

- How does the process of reselling tax liens promote or hinder city and county revitalization of vacant properties? Does the selling of tax liens make vacant property reclamation and revitalization easier or harder?
- Could the County Treasurer transition away from the sale of tax liens in the short term? In the long term? Could the Treasurer adopt a phased approach, perhaps pilot testing a few alternative models in certain neighborhoods within the city?
- Could the shift from tax liens offer the County Treasurer and city and county officials a consistent source of revenue to cover tax collections as well as financially support the ongoing operations of the land bank after the two-year start-up?

PROGRAM BRIEF NO. FOUR
Community Development Principles and Strategies
for Shrinking Markets

Community development policies and programs essentially translate vacant property strategies into the broader, comprehensive efforts to preserve, stabilize or revitalize neighborhoods. Community development works best at the neighborhood scale, where community development corporations (CDCs) utilize a variety of housing and quality of strategies to improve the quality of life for residents and their families in areas that are either distressed, destabilized (often as a result of foreclosure) or at serious risk of destabilization. CDCs often play a critical role as urban pioneers in such neighborhoods as private developers are likely to show little interest in these places as long as market and physical conditions are adverse.

Youngstown’s Community Development Capacity

During the Campaign’s assessment visit, many of the participants remarked about the limited scope of community development activity in Youngstown. Within the past three to four years, only a handful of infill housing projects have been built in the neighborhoods, and several of these efforts have struggled with recouping their investments, given declining property values. One challenge is the city does not have a long history of supporting community development and CDCs compared to its sister cities of Cleveland and Pittsburgh. Another issue is that the city’s most recent revitalization successes have come through economic development strategies and brownfields redevelopment, but unlike other Rust Belt cities, Youngstown has never fully considered the city’s livable neighborhood fabric as a potential economic development resource.

Community development is difficult in a place, such as Youngstown, where the population is declining and the housing market demand is weak, and in some areas, all but nonexistent. Encouraging more housing development projects in a weak housing market may increase the oversupply of housing that will further decrease property values and destabilize neighborhoods. Instead of building new housing, community development policies and programs should encourage the rehabilitation and repair of existing single-family and multi-family housing units, increasing small landlord and homeowner skills and capacity, foreclosure prevention, and other strategies that utilize and preserve the city’s better housing. Such neighborhood stabilization strategies are also consistent with the vision embodied in the Youngstown 2010 Plan.

Critical Goals and Policy Principles for Community and Neighborhood Investments

In order to ensure consistency with the city’s effort to strategically reduce the oversupply of housing, particular priority should be given to investments that can accomplish either or both of two critical goals:

- preserving the viability of neighborhoods that still have a functioning social fabric and housing market, but are under stress from negative pressures, particularly vacant properties and abandoned houses; and

- drawing market demand by creating new products or neighborhoods within the city.

With resources always limited, **five core principles should guide policymakers and practitioners** in making decisions about critical community development investments in Youngstown and Mahoning County’s shrinking markets:

- target community development resources to preserve viable neighborhoods;
- develop comprehensive strategies to foster change in targeted neighborhoods;
- focus city policies and programs to support projects that can create new market demand;
- rebuild the civic and organizational infrastructure (neighborhood associations, civic groups, and community development organizations, etc.) for neighborhood revitalization; and
- integrate economic development and community development activities into a comprehensive revitalization strategy.

Target Community Development Resources to Preserve Viable Neighborhoods

Although all areas have needs, the available resources are simply not adequate to have any impact unless they are targeted to areas where – by virtue of their assets as well as their problems – they will be most effective. Difficult as it may be, the ability and the will to target resources strategically lies at the heart of any credible right-sizing strategy. A key element of the targeting strategy should be a concerted effort to preserve viable but threatened neighborhoods, such as the effort currently being pursued by the city in partnership with the Mahoning Valley Organizing Collaborative in the Idora neighborhood. Strategies for addressing vacant properties – either through rehabilitation and reuse or demolition, or some combination of the two – must be a top priority in these areas.²⁴ The presence of large numbers of vacant properties in a neighborhood both reduces property values and creates an almost insuperable barrier to market revival, not only because of their effect on property values, but because of their impact on the neighborhood’s quality of life. Gaining control of those properties, as discussed further below, is critical.

The city also needs to be realistic about its capacity to address these neighborhoods. With financial, staff, and technical resources in extremely short supply, the number of neighborhoods that can be the focus of targeted strategies must necessarily be a small one. Each neighborhood strategy must involve enough resources, and be sustained over a long enough period, so that it can have a significant impact. A strategy that involves undertaking more than two or three targeted neighborhood efforts at a time, or cutting off those efforts after only a year or two in order to shift the focus to other areas, out of a misdirected intention to “spread the wealth,” is ultimately counter-productive. While giving the impression of targeting, in the end it is unlikely to result in effective neighborhood stabilization.

²⁴ We were informed that approximately 107 of the 750 structures in the Idora neighborhood are vacant. This high percentage of vacancies raises serious questions about whether this neighborhood’s viability can be sustained unless a concerted attack is made on these properties, and the number of vacancies significantly reduced. The same problem, however, is likely to be true in other neighborhoods in the city which are still potentially viable.

Targeting and Typology Lessons from Neighborhoods in Bloom (NiB) and Neighborhood Transportation Initiative (NTI)^c

The City of Richmond, Va., launched NiB to target its revitalization resources in specific neighborhoods where reinvestment was most likely to reduce crime and improve neighborhood economies. Starting in 1998, the city evaluated data to classify its neighborhoods into four broad categories based on their poverty rates, concentrations of abandoned buildings, levels of crime, and other factors. City officials coordinated a consensus-based neighborhood planning effort with assistance from the Richmond LISC office and Richmond's Neighborhood Development Network. Using these strategic plans, the mayor and the city council targeted the majority of Richmond's HOME and CDBG funds, along with other city programs and resources, to six neighborhoods, which have since seen significant reductions in crime and increases in property values and reinvestment. In 2002 and again in 2004, the mayor and city council reauthorized the six original NIB neighborhoods and included one new neighborhood.

A critical planning tool is a neighborhood typology based on city and neighborhood market and demographic analyses to allow local officials and community leaders to tailor revitalization strategies to unique neighborhood conditions. As part of Philadelphia Mayor John F. Street's NTI, the community development consulting firm, The Reinvestment Fund (TRF) classified all city neighborhoods into six categories based on market and neighborhood conditions such as vacancy rates, housing sale prices, owner occupancy rates, housing age, demolition activity, and consumer credit profiles. At the bottom of the spectrum were neighborhood classifications (e.g., transitional, distressed, and reclamation) that exhibited significant population loss, high vacancy rates, and low property values. Neighborhoods in the reclamation category would require the greatest level of government intervention through large-scale site acquisitions, land assembly, and demolition, and thus are ideal candidates for right-sizing through green infrastructure.

^cSee, McGovern, S.J. Philadelphia's Neighborhood Transformation Initiative: A case study of mayoral leadership, bold planning, and conflict, *Housing Policy Debate*, (2006) Vol. 17, No. 3, pgs. 529-570; G.Galster, Tatian P., and Accordino, J. Targeting investments for neighborhood revitalization. *Journal of the American Planning Association*, (2006) vol. 72, no. 4, pages 457-474.

Effective targeting relies heavily on community-driven neighborhood planning and its ability to develop:

- a reliable set of neighborhood indicators obtained through census information, municipal records, real estate market data, and other information necessary to evaluate development potential and to identify, implement, and monitor strategies designed to take advantage of available opportunities;²⁵
- a classification or typology of neighborhoods based on a market or cluster analysis of regional and local housing markets so that revitalization plans are drawn up in accordance with opportunities and constraints associated with neighborhood, local, and regional real estate markets;

²⁵ See Program Brief No. One on Real Property Information Systems also set forth policy recommendations and short-term action steps re indicators.

- collaborative neighborhood involvement activities that engage government, business, institutional, residential, and community leaders in the planning process; and
- a transparent selection process of strategic neighborhoods and subsequent targeting of resources.

Neighborhood preservation and revitalization are not simply “bricks and mortar” activities. The strength or weakness of residents’ attachment to their neighborhoods, and to the City of Youngstown in general, will be one of the key factors determining whether revitalization efforts will be successful. It is easy enough for a family earning even a modest but stable income to move out of Youngstown to one of the neighboring suburbs, where house prices are only modestly higher than in the city. Strengthening the civic infrastructure in the city’s neighborhoods, and engaging residents in their neighborhoods’ future, is as important as restoring vacant properties or cleaning vacant lots. For that reason, not only is the Wean Foundation-supported Mahoning Valley Organizing Collaborative important, but it also should be closely coordinated with the city’s neighborhood planning and revitalization efforts.

Develop Comprehensive Strategies to Foster Change in Targeted Neighborhoods

Once a neighborhood has been identified as a target area, it must be the focus of a cluster of inter-related activities:

- outreach to both present and prospective homeowners with respect to the responsibilities of ownership, as well as the technical and financial resources available for maintaining the home they already own and to assist them in buying a home;
 - programs to assist low-income and elderly owners on fixed incomes who are having difficulty maintaining their homes;
 - programs to assist owners to correct code violations, upgrade systems, and “green” older homes, providing for greater energy efficiency and cost savings, similar to those available in Shaker Heights;
 - a sensitive but strong code enforcement program, with particular focus on absentee property owners;
 - a planning strategy for addressing the vacant properties in the neighborhood designed as much as possible to lead to the neighborhood having no vacant properties, and beginning by concentrating on key targeted blocks, rather than scattered efforts throughout the neighborhood;
 - Actions to address the public realm: streets, sidewalks, shade trees, and other visible features of the neighborhood that affect both the quality of life for residents, and the potential “curb appeal” of the area to prospective buyers;
 - a targeted market-building initiative for the neighborhood, including outreach to realtors, regional employers, and others; and
 - attention to the neighborhood’s civic infrastructure (see below).

The creation of a citywide CDC in partnership with city government, as has been proposed by the Wean Foundation, may be a good way to address neighborhood preservation and stabilization efforts. Although its scope may be citywide, at least

initially, the CDC should focus on at most two to three neighborhoods, where it would plan and carry out stabilization efforts in partnership with the city and the residents. Within that strategy, the focus should be on maximizing the value of the existing housing stock – through a combination of the above strategies. New construction should be avoided except where it is clear that it enhances a neighborhood preservation strategy, rather than simply adding units to the stock.

In this light, we would suggest that the lion’s share of the city’s Neighborhood Stabilization Program (NSP) funds be targeted to these same pilot neighborhoods, including both acquisition/rehabilitation and demolition funds. Since the need for both rehabilitation and demolition across the city—and within the large targeted areas shown in the city’s NSP Action Plan—vastly exceeds the amount of money available to the city, only by more tightly targeting these funds can the city have a visible impact.

Focus City Policies and Programs to Support Projects that Can Create New Market Demand

Good strategy is not only a matter of targeting resources, but determining which investments are appropriate for a particular area. **Youngstown has no need of more housing units as such; the quantity of housing still standing in the city exceeds potential demand for the foreseeable future.** What it needs are housing units that can make a difference in terms of strengthening neighborhoods and building markets. In order to do that, polices and programs must be sensitive to market and neighborhood conditions. New construction of subsidized housing – either for homeownership or Low Income Tax Credit rental development – in an area that contains a surplus of housing priced to sell or rent at comparable or lower levels, for example, is likely to further undermine an already weak private market, increasing the number of abandoned units. Youngstown has relatively few realistic options with respect to potential areas in which new market demand can be created. There appear to be only two general areas where a reasonable possibility of drawing new market demand exists: the areas in close proximity to Youngstown State University, and downtown, including the area for which Wick Neighbors, Inc. Smoky Hollow mixed-use development project has been proposed (This project represents the first large-scale mixed use development in the city in many decades).²⁶

In contrast to activities in existing established neighborhoods, which by their nature are designed to stabilize existing markets and are incremental at best, these areas have at least some potential to create new markets by offering residential products of different character in different settings than what is available elsewhere in the city or region. The success of market-oriented residential projects in downtowns and close-in higher density neighborhoods in other cities such as Cleveland illustrates this point. Even in an area with overall market limitations, it is possible to create new markets by offering new and different products. It is important to recognize, however, that at this stage, market-

²⁶ One of the four priority areas being pursued by Wick Neighbors, Inc., is the Smoky Hollow Redevelopment Plan. Smoky Hollow, once a thriving, diverse neighborhood, is comprised of 63-acres adjacent to Youngstown State University and the downtown, 40 percent of which is vacant land <http://wickneighbors.org/redevPlan.shtml>.

building efforts cannot succeed on their own. Given the disparity between the cost of development or rehabilitation and the resulting market value of the units, at least at first, any such strategy will need substantial public financial support until it has succeeded in creating a viable new market.

We would suggest three key strategic directions for Youngstown based on this essential principle of supporting projects for new development that will generate market demand:

- *First and foremost, the city should provide its full and unqualified support to the Smoky Hollow project.*

This project is as important to the future of the city as the city's brownfields redevelopment projects or the expansion of Youngstown State University, two redevelopment initiatives that benefited from strong city support. Moreover, the city has already committed \$2.4 million in public infrastructure funding to realize the Smoky Hollow Redevelopment Plan

The city should continue existing efforts and investigate new opportunities for market-driven residential development downtown and immediately adjacent areas.

Many parts of downtown Youngstown retain their historic fabric, and a number of large vacant and underutilized buildings – particularly those around Federal Plaza – represent potential residential redevelopment opportunities. In addition to young people and empty nesters seeking downtown living opportunities, the potential market may include housing for YSU students.

The city should ensure it formally adopts the Smoky Hollow Redevelopment Plan. The potential for this project to generate the first market rate housing development in the city in decades would provide a significant boost to the internal and external image of Youngstown. Bringing public and private resources to the table by adopting the redevelopment plan would provide more certainty to the realization of this critical project.

The city should also explore, in partnership with Youngstown State University, whether future expansion of the University can potentially further not only the Smoky Hollow project, but also help stabilize the neighborhood and potentially build new market activity in other areas between the University and Wick Park.²⁷

At the same time, the city must be cautious in light of current economic and housing market conditions, to make sure that any new development that gets off the ground in the immediate future has a high likelihood of success.

²⁷ Earlier this year the city identified 36 vacant properties in the Wick Park neighborhood that could, in theory, be acquired by a citywide CDC and/or land bank to help stabilize the neighborhood while the city works on the neighborhood plan and the Mahoning Valley Organizing Collaborative organizes the residents. Perhaps a few of these building might be salvaged, but a large number would likely need demolition. Although a consultant's report identified possible strategies, the city and its partners were not in the position to quickly acquire and bank these properties.

Rebuild the Civic and Organizational Infrastructure for Neighborhood Revitalization

Successful stabilization and revitalization of declining and distressed neighborhood requires the active engagement and commitment of neighborhood residents. In addition to engaging residents in their communities, expanded organizational capacity can deliver neighborhood and housing improvements, enhancing the city's limited resources.

Mahoning Valley Organizing Collaborative

Recognizing a lack of grassroots capacity at the neighborhood level, the Wean Foundation created the Mahoning Valley Organizing Collaborative (MVOC). Formed in March 2008, the MVOC has five neighborhood organizers working in Youngstown and one in Warren. In an attempt to revive the momentum of the 2010 planning process where thousands of residents turned out, the MVOC hopes to build leadership capacity and organizational infrastructure.

The first endeavor of the neighborhood organizers has been to facilitate a listening campaign to help build relationships and identify potential community leaders. During this campaign, a number of neighborhood meetings have been held, gathering input about the major issues and concerns of Youngstown's residents. The common thread linking these issues and concerns are vacant and abandoned properties. MVOC is currently exploring various options in which its organizers can help to begin to address these properties at various levels—neighborhood, city and regional, state, and national. Some of the ways it is investigating its potential involvement include:

- leveraging its neighborhood organizing capacity to help move some of the recommendations of this report forward, such as performing vacant property surveys in each neighborhood;
- assisting in the development of a citywide multi-faceted high capacity community development corporation to help strategically coordinate neighborhood activities addressing vacant property; and
- building support for the reauthorization of the \$400 million Clean Ohio Fund, as well as generating flexibility in state and federal environmental policies that limits demolition in neighborhoods where it is most beneficial.

As the City of Youngstown and other municipalities in the county grapple to address immediate vacant property challenges, they could easily facilitate the coordination with the Mahoning Valley Organizing Collaborative and other community/neighborhood-based organizations in their efforts to build new capacity.

The vitality of civic associations, neighborhood associations, block watch groups and other such bodies should be an important focus of the city's efforts, in partnership with the organizing and community-building efforts. In addition to these organizing activities, specific efforts to support neighborhood organizations—such as technical assistance, mini-grants for neighborhood projects, support for projects such as community gardens, clean-up days, and the like—should be actively organized by city government with

assistance by the civic and business sectors. Endeavors such as the city's greening initiatives can draw upon a wider base of resources, including environmental organizations, urban agriculture interests, community gardeners, and workforce capacity building groups.

The city should also examine the infrastructure of current community development corporations to assess the extent to which their activities are furthering the key strategies and goals of community revitalization and market-building, within the framework of an overall vacant property reclamation initiative. This should include a careful assessment of the capacity of the existing CDCs and the circumstances and locations in which the construction of additional subsidized housing furthers the city's overall strategy, so that efforts can be redirected to those particular areas and housing types.

CDC capacity in Youngstown is limited, but at the same time there is a need for CDC capacity and energy in many areas other than construction of new housing. These include several of the areas described earlier with respect to neighborhood revitalization – housing rehabilitation, home improvement programs, assistance to struggling home owners, and education for new and prospective home buyers, foreclosure prevention, and the like. Existing CDCs should be encouraged to develop capacity in these areas, and to target their efforts to key neighborhoods engaged in neighborhood planning.

An assessment of CDC capacity was beyond the scope of our study. It is worth mentioning, however, that—depending on the available capacity—creating a citywide organization to provide many of these services may be appropriate.

Specific policy recommendations include the following:

- The city should support the work of the Mahoning Valley Organizing Collaborative, and coordinate neighborhood planning, community development, code enforcement, and vacant property reclamation with that organization.
- The city should build a support system for civic and neighborhood organizations. While capacity is low today, the city should consider ways to gradually rebuild, recalibrate, and coordinate the efforts of civic and neighborhood groups. The city may want to consider, as other cities have done, the creation of an 'office of neighborhoods' in City Hall, designed to provide support for the city's civic infrastructure.
- The city should commission or carry out a strategic assessment of CDC capacity and missions, in order to ensure that those missions complement the neighborhood plans and the broader 2010 strategy, and that capacity exists for critical neighborhood revitalization activities.

All of these preliminary efforts will hopefully establish a strong foundation for future community development policies and CDC capacity that will expand and change as the markets and neighborhoods become more stable.

Integrate Economic Development and Community Development Activities into a Comprehensive Revitalization Strategy

The City of Youngstown has assembled considerable expertise and capacity for the purpose of fostering traditional economic development projects, such as the Chevy Center and most notably the redevelopment of brownfields sites—former industrial and commercial areas with environmental contamination. Using traditional economic development tools along with business attraction and job-creation strategies, Youngstown has turned a number of its one-time steel mills into attractive, economically productive industrial parks. Today these projects provide a significant percentage of the city’s tax base. Moreover, the designation of a “green industry” land use category in the 2010 Plan illustrates Youngstown’s goal of continuing to reflect its industrial heritage, while looking toward the future by pursuing and developing environmentally friendly industrial activities.

No similar level of resources or attention, however, seems to focus on the residential side of the equation, nor do economic development projects take into consideration the potential connections between business retention, expansion, and job creation with housing and neighborhood revitalization. In the final analysis, getting an economically diverse population to live in a city, and to make a commitment to that city, may be as or more important to the city’s economic vitality than attracting industrial jobs, of which the overwhelming majority are held by people who live outside the City of Youngstown.

Where economic development—in the traditional sense—and community development can be linked, they should be integrated into a single strategy. This is particularly true in the downtown area, and in the areas that are potentially affected by Youngstown State University. Perhaps the most significant step that could be taken toward further downtown revitalization, for example, would be the creation of a strong residential base downtown. Similarly, the preservation and enhancement of market value in the city’s remaining vital neighborhoods is a critical economic development task, although not recognized as such by the city. The city should give serious consideration to merging or reorganizing its community and economic development activities in order to foster a more holistic approach to the city’s revitalization. In that effort, a comprehensive vacant property strategy could easily play a central role.

Conclusion – Short-Term Action Steps for Community Development

Although these five core principles essentially act as the general policy guidelines for community development in Youngstown and Mahoning County, the NVPC assessment team also offers the following short-term action items for local officials and community development practitioners to consider:

- Develop a set of neighborhood indicators to measure existing market conditions and physical conditions of the neighborhoods.
- Use these neighborhood indicators to develop a more robust and current neighborhood typology; perhaps built on the NSP analysis.
- Using a collaborative process for engaging public official and residents in the selection process, target a limited number of neighborhoods which combine

- significant risks with opportunities as the focus of a neighborhood revitalization strategy to leverage the city's NSP funding.
- Partner with the Wean Foundation and others to create a new citywide CDC capable of planning and implementing comprehensive stabilization and revitalization strategies in targeted city neighborhoods.
 - Identify and pursue city government actions – including action on properties, funding and other assistance – needed to move the Smoky Hollow redevelopment project forward, and ensure that the project weathers the current economic and housing market conditions.
 - Except for market-creation areas such as Smoky Hollow and downtown, redirect nonprofit efforts away from new construction of housing, except where a compelling case is made that new construction is critical for the revitalization of a targeted neighborhood.

PROGRAM BRIEF NO. FIVE
**Planning and Vacant Property Reuse – Neighborhood Plans and the
Implementation of Youngstown’s 2010 Plan**

Youngstown has received national recognition for its 2010 comprehensive plan and its explicit goal to again become a great, but smaller city, with fewer people and less infrastructure. No older industrial city in the United States has expressly adopted such a realistic, bold policy statement. A hallmark of the 2010 Plan was the extensive community outreach and media campaign that branded the 2010 image throughout the region. For the first time in decades many residents felt empowered by the opportunity to shape a new, positive direction for Youngstown. Even now, nearly eight years since the start of the 2010 process, many residents reflect fondly on the 2010 Plan.²⁸

Despite the community spirit and national accolades, implementation of 2010’s right-sizing vision is happening incrementally at best. The city is currently developing neighborhood plans for 127 planning districts that will guide redevelopment projects and revitalization programs “street by street and parcel by parcel.” Residents continue to have high expectations that 2010 will deliver positive short-term results. However, the city’s existing approach of gradual right-sizing creates substantial barriers to the eventual reclamation and revitalization of the city and region; although it may happen naturally, it is not likely to happen in ways conducive to building a healthier community and providing market stability without strong policy intervention.

One of the most important dimensions of right-sizing is the ability to gain control over vacant buildings and land, to enable the city to develop a long-term vacant land management strategy. Although such long-term planning strategies can take many different directions and forms, without the ability to undertake land banking as described above, they cannot realistically be implemented. The city should consider any vacant property strategy or program a key part of its efforts to implement 2010; the NVPC policy report suggests the city strengthen this relationship with vacant property reclamation by instituting any or all of the following short-and long-term actions:

Recalibrate and Coordinate City and Community-Driven Neighborhood Planning Activities to Target Vacant Properties (Short-Term Action)

As part of its 2010 implementation efforts, the city planning department launched a neighborhood planning initiative that classifies neighborhoods into six basic types: 1) stable; 2) transitional; 3) redevelopment; 4) suburban; 5) industrial; and 6) semi-rural. This general typology guides the city’s policy and funding programs for each of the six neighborhoods. For example, the city generally will not invest city resources in the development of new housing and infrastructure in neighborhoods with significant levels of abandonment (e.g., redevelopment neighborhoods).

²⁸ Civic capacity in Youngstown, while still weak, is improving. City planning staff has a 10-year-old chart that identifies the formal existence of 10 neighborhood groups/associations. Today that list has more than 30 business, neighborhood, and community development organizations.

The city also devised criteria that expanded the number of neighborhood planning districts from roughly 32 to over 127.²⁹ So far the city planning department has completed neighborhood plans for Smoky Hollow, Youngstown State, the Garden District, and Idora (the city classified Idora and the Garden District as transitional and Smoky Hollow as redevelopment in light of substantial disinvestment). For the coming year it will focus its efforts on neighborhoods adjacent to Wick Park and the Boulevard Park area.³⁰

As the city marches forward with its neighborhood planning program, the Mahoney Valley Organizing Collaborative (MVOC) is now working with grassroots organizations in five districts throughout the entire city. They have held a series of community forums/town hall meetings in an effort to energize, engage, and empower local residents. Vacant properties are one of the constant priorities voiced by these residents. As a result, MVOC is currently working with residents to inventory property conditions with the goal of developing a strategic demolition plan.

At the same time the city's Neighborhood Stabilization Plan (NSP), pursuant to HUD regulations, calls for targeting approximately \$2.7 million to those neighborhoods with the greatest impacts from homes that were vacant and foreclosed and/or that were the victims of subprime lending. City staff has devised maps to target these NSP resources consistent with the HUD grant criteria. Youngstown's preliminary plan includes a mix of acquisition and rehabilitation of rental and some single family properties along with demolition of vacant properties. Unfortunately, this federal program does not offer much flexibility on where to use the funds, especially for older industrial cities, such as Youngstown, that already have substantial inventories of vacant properties.

The convergence of these three neighborhood initiatives offers Youngstown the rare opportunity to coordinate public and philanthropic resources and achieve a greater degree of revitalization synergy. It is unclear, however, whether or how the city and

²⁹ Youngstown's neighborhood planning districts average 200 to 250 households and 645 residents each. Compared with other cities, however, the number of planning districts seems quite high. For example, Minneapolis (a city with 380,000 people--more than five times the population of Youngstown) has one the most 'fine-grained' neighborhood strategies; they divided the city into 81 neighborhoods for planning and revitalization purposes, with an average of 1,500-1,800 households and 4,723 residents per neighborhood. Other Ohio cities have significantly lower numbers of neighborhood planning districts – Dayton has 66 (averaging 1,021 households and 2,517 residents in each district) and Columbus has 50 (averaging 6,030 households and 14,229 residents in each district). Note that during the 2010 process the city was divided into 11 planning zones.

³⁰ The city planning department desperately needs more planning staff. In the ideal world a minimum of one senior planner and a team of five neighborhood planners might make the most sense, as it also corresponds with the five MVOC districts. Given the downturn in the economy and the city's immediate fiscal outlook, it probably cannot afford to hire five more planners. Perhaps it could reassign one or two existing staff from various enterprise departments (water utilities or economic development) to lend a hand for one or two years. Given the national interest in Youngstown 2010, the mayor and his team should consider doing a "full court press" attracting national foundations (e.g., Ford, Surdna, Rockefeller) to support 2010 planning implementation over the next two or three years.

MVOC can coordinate their efforts to ensure efficient and effective revitalization. A focus on the reclamation of vacant properties in these target neighborhoods would be an obvious first choice. Residents would be extremely supportive of such a strategy, as well as members of the city council. While the NSP funds can be used for demolition, the HUD formulas make it difficult to apply those funds to the neighborhoods with the greatest numbers of vacant and abandoned properties.

Perhaps a simple step would be for the city, MVOC, and other local nonprofits to collaboratively identify, design, and fund vacant property initiatives in strategic neighborhoods with the greatest potential of successful reclamation. For example, the MVOC could issue *Neighborhood SUCCESS* grants to jump-start reclamation of strategic vacant properties. We recognize that residents from each neighborhood would ultimately determine the nature of local vacant property activities, but based on the recent MVOC listening tour it would make sense to target vacant properties first.

Short- to Mid-Term Action: Adopt and Implement a Vacant Property & Land Management Strategy

Vacant properties will remain the major barrier to the regeneration of Youngstown and Mahoning County for many years. Blight and abandonment have festered for more than 30 years, so the turnaround will take time. However, as the city moves forward with its programs to implement the right-sizing vision of Youngstown 2010, it should consider creating a special vacant land management element similar to the Buffalo's 2004 Vacant Property Asset Management Strategy. Adoption of special elements/strategies is a common planning technique used by many local governments to implement the vision of their comprehensive land use plans.

A vacant properties element would offer city leaders, staff, community organizations, and residents a specific blueprint on how the city intends to address vacant properties; it could also act as a policy guide to many of the programs and activities set forth in this NVPC assessment report.³¹ Moreover, Buffalo offers a great model, since Buffalo and Youngstown have significant inventories of vacant properties.

³¹ One option is to blend the NVPC framework and recommendations from this report into a Youngstown Vacant Property and Land Management Strategy.

The Queen City Plan's Facilities and Vacant Land Management Plan

In early 2006 Buffalo's Common Council formally adopted the innovative *Queen City Comprehensive Plan*, which includes a special Facilities and Vacant Land Management Plan. Although the plan does not go as far as Youngstown, Ohio's 2010 Comprehensive Plan, which contains explicit policy statements about shrinking the city, Buffalo's vision does include 1) repopulating residential areas; 2) rebuilding the industrial base; 3) revitalizing commercial areas; and 4) maintaining and enhancing green and open space to support the preceding three goals.

Buffalo is one of the few cities with a comprehensive plan that includes specific strategies for vacant property reclamation. Major policy recommendations and programmatic ideas include the following:

- **Systems Support**—a recommendation to educate the public and decision makers and to promote comprehensive planning policies by
 - establishing and maintaining a vacant properties team,
 - rezoning properties to provide creative and compatible vacant properties uses (e.g., interim uses such as green space and urban forests, community gardening),
 - building a variety of planning information resources, and
 - marketing all vacant properties in a comprehensive manner.
- **Financial Support**—a recommendation to control current and future vacant property costs through budgeting over time and through
 - comprehensive vacant property cost accounting across all departments,
 - a possible vacant property registration fee,
 - a possible dedicated development and/or property transfer fee to conserve and manage vacant land for public purposes (e.g., green infrastructure), and
 - a dedicated development fund through the Buffalo Development Program.
- **Dispersal of City-Owned Properties/Facilities**—a recommendation to reduce the inventory of city-owned property—so as to conserve neighborhoods, generate sale revenues, increase the tax base, and minimize maintenance costs—through the following actions:
 - housing rehabilitation and homestead programs to address sound residential properties in priority areas,
 - demolition of the properties in the worst condition,
 - development of a portfolio of structurally sound vacant properties and bundling of adjacent vacant properties where possible based on comprehensive plans,
 - reservation of vacant lots in Strategic Investment Areas for future development and assignment of ownership and interim maintenance provisions, and exploration of redevelopment options for surplus Buffalo Public School facilities.
- **Clean, Safe, and Green Initiative**—calls for removal of vacant property blight and promotion of neighborhood safety and conservation through
 - vacant property inventories in the Good Neighbors Planning Alliance target areas,
 - collaboration with community advisory groups to develop community reporting protocol for code violations (e.g. illegal dumping, unsecured buildings, etc.),
 - a city-county Clean, Safe, Green education campaign, and
 - meetings with entities in control of vacant, open, right-of-way lands (e.g., railroads, private utilities, transportation departments, etc.).

Mid-Term Action: Design and Adopt a Comprehensive Urban Greening Initiative

Any future vacant property reclamation initiative will soon confront Youngstown's surplus of housing units, infrastructure, and vacant land. In certain neighborhoods Youngstown will need to transform a large number of vacant properties into a network of greenways, trails, community gardens, pocket parks, and recreational open space.

Urban greening is not new to Youngstown. The city has collaborated with organizations, most recently Kent State Urban Design Center and the Southside Community Development Corporation, to examine possibilities for greening the city.³² This work has also been expanded to Cleveland, which offers the opportunity for Youngstown to link to work elsewhere in the state through the Learning Network.

Green Infrastructure Master Plan and Green Printing:³³ The city could create a green-infrastructure master plan for the reuse of vacant and abandoned properties. According to the Conservation Fund (www.conservation.org), green infrastructure is a strategically planned and locally managed network of protected green space with multiple purposes. Green infrastructure includes a wide range of landscapes, such as natural areas (wetlands, woodlands, waterways, and wildlife habitat); public and private conservation lands (nature preserves, wildlife corridors, greenways, and parks); and public and private working lands of conservation value (forests, farms, and ranches). These landscape hubs are then linked with a network of trails and greenways.

Principles of green infrastructure also translate well for urban and suburban communities. The Trust for Public Land (www.tpl.org) employs a strategic planning process they call *green printing* that integrates these networks of open space, parks, and greenways into community land-use plans. They use state-of-the-art GIS models to inventory and analyze community data and then design maps that can guide the community's vision for growth and redevelopment while protecting recreational opportunities, sensitive natural areas, and farmland. Beyond the mapping and planning, TPL works with communities to secure resources for land acquisition, land stewardship, and program administration.

Green infrastructure could easily become the cornerstone initiative of the Youngstown/Mahoning County VPI. By following a community-driven *green print* plan, the joint city-county land bank could target the tax-delinquent and seriously blighted properties and provide incentives for voluntary acquisitions. While green infrastructure

³² In the fall of 2005 the Community Design Center at Kent State/Cleveland State University, in collaboration with the City of Youngstown and the Southside Community Development Corporation, held a three-day charrette to develop ideas for Youngstown's Oakhill neighborhood. Only 30 percent of the homes and businesses in Oakhill remain occupied, with dozens of vacant lots and derelict structures surrounding them. Teams of professors, students, and practitioners worked with local residents to create four different design visions for the neighborhood's future. Several weeks later the charrette team returned to Youngstown to present the four schemes, along with general policy recommendations to assist in their implementation. For more information about the Community Design Center's Shrinking Cities Institute, see www.cudc.kent.edu/shrinking.

³³ This discussion on green infrastructure is based on passages from, *Greening the Rust Belt--A Green Infrastructure Model for Right Sizing America's Shrinking Cities* by Joseph Schilling and Jonathan Logan, Vol. 74. No. 4 Journal of the American Planning Association 451-466 (Autumn 2008).

might be an interim use (20+ years) for some properties, the region's weak markets mean that many of these sites will remain dedicated parks and pathways. Green-infrastructure planning enables the city to prioritize lands it would like to see remain green in perpetuity and to restore natural features of the land (i.e., daylighting buried streams, restoring floodplains that are currently developed, reawakening industrial waterfronts as greenways and river walks).

Model Urban Greening Program--The Philly Green Story:³⁴ Since 1974, the Pennsylvania Horticultural Society's (PHS) Philadelphia Green program has been developing and implementing urban greening initiatives to mitigate the presence of more than 31,000 vacant properties in the city, improving the physical and social environment of neighborhoods. Working with the City of Philadelphia's Neighborhood Transformation Initiative (NTI) and other stakeholders, including residents, development and civic organizations, and businesses, its vacant land management program organizes and empowers neighborhood groups to clean, prepare, landscape, and maintain these sites. Site selection is based on a series of criteria including location, community support and interest, lot size, and a desire to provide safe routes to schools and other public buildings. By engaging neighborhood residents throughout the entire process, Philadelphia Green ensures that greened lots will remain green. It also partners with workforce training organizations such as Ready, Willing & Able and SELF, Inc., which offer homeless persons and ex-convicts an opportunity to gain self-sufficiency through employment in the upkeep of greened lots.

As part of a \$16 million grant from the city's NTI, with supplemental funding from the U.S. Department of Housing and Urban Development and the U.S. Forest Service, PHS cleaned and planted more than 7,000 lots in six target neighborhoods from 2003 to 2007. A 2006 Wharton School study found that property values increased 17 percent if located next to a stabilized and green lot, compared with a 20 percent decrease in value if located next to a vacant and abandoned lot.³⁵ Based on the success of Philadelphia Green projects, in 2006-2007 the city partnered with PHS to manage the public outreach process for a new citywide green infrastructure initiative called GreenPlan Philadelphia.

Part of Philadelphia Green's success is due to the financial capacity and leadership of PHS and the respect it has earned from the city and its residents. Its Philadelphia Flower Show is a world-class event providing a consistent funding stream for the PHS organization and its urban greening initiatives. Moreover, the historically dense growth pattern of Philadelphia preserved little green space in private ownership, helping to generate neighborhood demand for community gardens and other open spaces. To adapt Philadelphia Green's practices and approaches to Youngstown would require a strong institutional home like the one PHS provides, especially during the start-up of an urban greening initiative.

³⁴ See generally, www.pennsylvaniahorticulturalsociety.org/phlgreen

³⁵ Wachter, Susan and K.C.Gillen, *Public investment strategies: How they matter for neighborhoods in Philadelphia* (2006) retrieved from [http://www.upenn.edu/penniur/pdf/Public Investment Strategies.pdf](http://www.upenn.edu/penniur/pdf/Public%20Investment%20Strategies.pdf)

A 2005 UNIVERSITY OF PENNSYLVANIA STUDY of Philadelphia’s New Kensington neighborhood found that greening vacant lots increased sale prices of homes near the lots by as much as 30 percent. Cumulatively these benefits could translate into a \$12 million gain in property value for this Philadelphia neighborhood.¹ In 2006 University of Pennsylvania researcher Susan Wachter teamed up with Kevin Gillen to apply her New Kensington methodology to a citywide study of various Philadelphia green infrastructure and redevelopment strategies. They found the following public investment strategies not only enhanced the overall vitality of Philadelphia neighborhoods but increased the values to adjacent and nearby properties, based on 2004 median home price of \$82,700:

- Adjacent to stabilized and greened lot: 17 percent increase in value or \$14,059
- Near a new tree planting: 9 percent increase in value or \$7,443
- Near an excellent commercial corridor: 23 percent increase in value or \$19,021
- Near streetscape improvements: 28 percent increase in value or \$23,156
- Located within BID: 30 percent increase in value or \$24,397

As both studies demonstrate, an array of strategies for greening abandoned neighborhoods has been an effective element of Philadelphia’s Neighborhood Transformation Initiative. Green infrastructure also facilitates the interim use of vacant land as community green space until these properties can be eventually redeveloped.

Long-Term Action: Update and Reform Existing Zoning Code and Land Development Processes

At some point local zoning and building codes become a barrier to the reuse of vacant properties. Many of these codes were designed and written for patterns of suburban growth. Other regulations did not anticipate the level of blight and disinvestment that is present in some areas. As Youngstown begins to reform its essential vacant property systems, such as land banking, it would be prudent to reexamine its zoning code and land development processes to facilitate new and innovative forms of vacant property reuse. Within the context of land development permitting procedures, perhaps vacant property projects that are compatible with neighborhood plans and the 2010 right-sizing vision get “fast track” development permits. As for zoning reform, many of these vacant properties will involve a variety of green uses, such as urban agriculture and community gardens, that would likely demand changes to existing codes. The same challenge might also surface with the wholesale redesign of neighborhoods. The city might want to create special overlay zones for those neighborhoods with serious levels of vacancy and abandonment.



The National Vacant Properties Campaign

In 2002, with financial assistance from the Fannie Mae and Ford Foundations and U.S. EPA, a coalition of national organizations came together to launch the National Vacant Properties Campaign (NVPC). Housed at Smart Growth America (www.smartgrowthamerica.org), NVPC brings together practitioners, experts, and policy makers to forge a network that supports vacant property policy reforms and provides peer-to-peer technical assistance to communities. NVPC has worked with dozens of cities, counties, and nonprofits to design innovative policies and effective programs to prevent and reclaim vacant properties. Its efforts range from helping write tax foreclosure legislation in Indiana to creating a regional policy framework in Buffalo. With generous support from the Surdna Foundation and matching national and local funds, NVPC has now worked with local officials and community development organizations in more than 25 cities, including Cleveland, Dayton, and Toledo.

In 2005, NVPC helped launch Ohio's first statewide forum on vacant properties. In September 2007, more than 600 policymakers and practitioners gathered in Pittsburgh to participate in NVPC's first national conference on vacant property reclamation and neighborhood revitalization. The next national conference will be held in Louisville, Ky. For more information visit www.vacantproperties.org.