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TAKING A STRATEGIC AND DATA-DRIVEN APPROACH TO ADDRESSING PROBLEM PROPERTIES IN TRENTON, NEW JERSEY

Report to the City of Trenton, New Jersey, and Isles, Inc.
2015 Technical Assistance Scholarship Program (TASP) Recipient

This report was prepared for the City of Trenton, New Jersey and Isles, Inc. by the Center for Community Progress (September 2015).

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ABOUT CENTER FOR COMMUNITY PROGRESS

Founded in 2010, the Center for Community Progress is the only national 501(c)(3) nonprofit organization solely dedicated to building a future in which entrenched, systemic blight no longer exists in American communities. The mission of Community Progress is to ensure that communities have the vision, knowledge, and systems to transform blighted, vacant, and other problem properties into assets supporting neighborhood vitality. As a national leader on solutions for blight and vacancy, Community Progress serves as the leading resource for local, state, and federal policies and best practices that address the full cycle of property revitalization. Major support for Community Progress is generously provided by the Charles Stewart Mott Foundation and the Ford Foundation.

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I. INTRODUCTION AND EXECUTIVE SUMMARY

In January 2015, the City of Trenton and its co-applicant, Isles, Inc. were awarded a Technical Assistance Scholarship by the Center for Community Progress (Community Progress). As a part of the Technical Assistance Scholarship Program (TASP), Community Progress, with support from LocationAge¹, provided 100 hours of technical assistance to Isles, Inc. (Isles) and the City of Trenton (City) in the area of data, information systems, and strategy development.

Through the lens of neighborhood stabilization, this TASP engagement explores ways in which the City can build upon its existing revitalization strategies and offers potential enhancements to the City's information systems, data collection and management, Geographic Information System (GIS), and dissemination of neighborhood and property-related data to City staff and the public.

This report focuses on overarching strategy development with added emphasis on data and information technology (IT) to address problem properties, defined as vacant, abandoned, and/or blighted properties. It presents the technical assistance team's findings and recommendations in support of the City's efforts toward neighborhood stabilization. Most of the information included herein was obtained during a half-day brainstorming session with the City's Housing and Economic Development Department on May 1, 2015, a two-day site visit with City staff and community stakeholders on June 17 and 18, 2015, and a follow-up site visit on July 21, 2015, with City staff and community stakeholders.

¹ List of Project Team Bios are included in Appendix C.

In this report, we recommend that the City, with the support of Isles, take a number of actions, including the most critical highlighted below, to address problem properties in Trenton:

1. *Establish a blight task force under the leadership of the Mayor's Office to develop and measure progress toward achieving revitalization goals through regular data sharing and reporting.*
2. *As a part of the blight task force's work, design and adopt a strategic, multi-year revitalization and blight removal plan.*
3. *Within the larger multi-year revitalization strategy, organize a strategic focus around the four key revitalization themes addressed in this report: vacant properties, problem rental housing, sustaining homeownership, and creating a strong, vital downtown.*
4. *Create strong planning, information, and implementation partnerships with city and regional public, private, and nonprofit organizations.*
5. *Engage a full-time, professional City IT manager to be responsible for managing all information technology procurements, plans, and implementations.*
6. *Design and implement short and long range plans to compile, manage, and disseminate timely and accurate property and neighborhood information.*

Our Strategy Development Recommendations outline both broad approaches and specific actions that the City and its community partners can take to facilitate the productive reuse of vacant properties, gain compliance from landlords and improve the quality of rental properties, boost homeownership, and strengthen the City's downtown development. Our Data and Information System Recommendations are designed not only to facilitate better property-related information to support the City's decision-making, but also to improve the overall level of information technology and data quality for all City departments and operations.

All of these recommendations—both those focused on strategy development and those addressing data and information technology—reinforce one another. Data and information technology are critical tools to improve the efficiency of the City's tactics and measure progress toward revitalization goals. Reducing blight and strengthening neighborhoods in Trenton (and elsewhere), however, cannot happen through improved data and technology alone. The underlying causes of problem properties are large and complex, thus requiring comprehensive strategies, strong policies, and a broad network of partners to resolve.

II. BACKGROUND

The City of Trenton government faces daunting challenges. As Business Administrator McEwen put it in a meeting, “we’re trying to dig ourselves out of a 100 foot hole and move forward at the same time.” Difficult as that is, the City has no alternative but to pursue both efforts. If the City fails to address the many internal fiscal, managerial, organizational, and information technology problems that have accumulated over the past years, it will not be able to move forward and address its external challenges on a sustained, effective basis. If, however, it focuses entirely on the internal challenges and neglects the external ones, not only are those problems likely to get worse, but in the course of doing so, the City may lose the confidence of its citizenry.

The City of Trenton government is facing daunting challenges. As Business Administrator McEwen stated, “we’re trying to dig ourselves out of a 100 foot hole and move forward at the same time.” Difficult as that is, the City has no alternative but to pursue both efforts.

Trenton is certainly not alone in its desire to more effectively collect, manage, and share critical property and neighborhood data. Many local governments struggle to maintain updated information technology to track and map property data, especially in an environment of shrinking resources and rapidly changing technology. In more cases than not, local governments have also taken a “siloe” approach to collecting and managing data, with different departments procuring separate and oftentimes incompatible or redundant technologies. This makes sharing data internally and externally quite difficult, and exacerbates already existing challenges in cross-departmental coordination.

Three critical factors are required to successfully implement a strategic, data-driven approach to ridding neighborhoods of problem properties and fostering revitalization:

1. Sustained political will and leadership;
2. The active involvement of City staff, through carefully designed and sustained vehicles to ensure coordination and strategic focus; and
3. Building and sustaining strong relationships and engagement of community and neighborhood organizations, nonprofit corporations, other levels of government, and the private sector.

Mayor Eric Jackson's Five-Point Plan for dealing with blight is a critical first step toward defining tactics to begin addressing problem properties quickly. Under the Plan, the City is moving forward in these areas:

1. Homesteading Pilot Program
2. Vacant Property Registration
3. Property Stabilization Program
4. Strategic Sales and Foreclosure Program
5. Housing Market Condition Study

These steps represent a solid beginning that can help move the City forward with the multi-year revitalization and blight removal plan proposed in this report.

A number of the City's departments, including Housing and Economic Development, are actively engaged in the implementation of the above Five-Point Plan. The City has updated its Vacant Property Registration Ordinance (VPRO), and has been using the vacant parcel survey conducted by Isles as a database to send letters to vacant property owners to get them to register. Furthermore, the City has reestablished a tax foreclosure program to take title to selected vacant properties, and has initiated a pilot homesteading program to put selected vacant properties into the hands of responsible owners who will restore and live in them. This represents significant progress over the year, on which the City can build as it moves forward.

Many departments also recognize the importance of having accurate and comprehensive data in order to successfully implement and measure progress toward implementation of the City's revitalization efforts, as illustrated by their application to TASP. Similarly City departments express frustration in the disconnected nature of current databases and geographic information systems as it hinders efficiency and slows progress. The City's new leadership has inherited these antiquated and disconnected systems and clearly recognizes both the need and opportunity to carry out critically needed changes.

Isles and the Trenton Neighborhood Restoration Campaign (TNRC) have been working with the City, helping to build capacity and strategically address a number of critical problem property challenges. For instance, to meet the need for up-to-date and comprehensive vacant property data, Isles and TNRC conducted a citywide vacant property survey, compiling a comprehensive vacant property database that links to other available parcel information through a publically accessible, interactive map on its Restoring Trenton website. The vacant property inventory has been a valuable asset in understanding and addressing blight in Trenton. The City and Isles, along with additional partners in New Jersey Community Capital and the Center for Community Progress, have also completed a detailed report on neighborhood conditions, *Laying the Foundation for Strong Neighborhoods in Trenton*, scheduled to be released

in the fall of 2015.² This report will also be a valuable resource for developing effective strategies that accurately reflect current market conditions and trends in the city's many neighborhoods. These partners continue to work closely with the City to keep the dataset current and make use of the data in a strategic manner to direct interventions and inform related policy discussions.

III. SUMMARY OF OBSERVATIONS

We offer a number of overarching observations based on our engagement with the City and community partners during site visits and follow-up calls. These observations reflect what we consider to be among the most significant challenges facing efforts to address vacancy, abandonment, and blight in Trenton.

While the City is fortunate to have a dedicated, capable mayor and a cadre of talented, committed department directors, it is nonetheless subject to severe constraints affecting its overall capacity. Years of cuts have eroded staffing capacity below the director level, as well as the City's management and information systems. Even as the City works to rebuild staff and management capacity, its ability to do so is limited by severe constraints on public financial resources, which are unlikely to change significantly in the near future, emphasizing the importance of external partnerships.

In terms of data and information systems in general, the City's basic technology infrastructure of networks, hardware, and software appears to be sound, fairly current and operational. However, there is much work ahead to provide effective operational user software that can support City staff with their day-to-day duties, tasks, and responsibilities such as service request tracking, work order management, asset management and mobile field data collection. Some user software (for example Accela and ESRI GIS products) are not current and software maintenance contracts have expired. This situation leaves user applications vulnerable due to lack of support and prevents staff from accessing new functionality in more current versions. Since user software relies and interacts with other software programs, there is the cascading effect where one older software product prevents others from being updated to maintain compatibility, creating a "lowest common denominator" software environment of out-of-date products. A rapid move toward cloud-based computing and mobile systems for field

² This is the same document as that referred to as the Housing Market Condition Study listed in the Mayor's Five-Point Plan.

personnel are just two examples of the technical leap that would boost productivity for operational staff.

The overarching challenges observed during our meetings with City staff and community stakeholders relating specifically to the collection, management, and use of property and neighborhood data include the following:

- There is currently no City organization or manager solely focused on information technology (IT) and data systems, including those related to managing property information. While basic IT services are provided by a private contractor, and a limited program exists for code violations and vacant properties, without a manager overseeing these efforts, they will remain disconnected and fail to meet cross-departmental needs in the most cost-effective way.
- There is little coordination of information technology investments or system deployments across City departments, including cross-system, interdepartmental (citywide) integration. In fact, there are redundancies.
- The City faces severe financial constraints which limit the resources for major technology improvements and for adding significant IT and other staffing capacity.
- Many software platforms are not on current maintenance plans, resulting in the use of outdated or obsolete software program versions. This results in software compatibility problems and the inability to take advantage of newer functionality.
- Current systems do not collect, manage and distribute property-related information in an effective manner that meets departmental operational requirements.
- There are no time-specific, quantifiable targets for addressing blight, which prevents the City from measuring results in its revitalization initiatives.
- Limited data is made available by the City to the public, hampering external data analysis and data-informed strategy development.

In light of these challenges, there is no greater need than putting in place a City IT leader. This individual is needed to manage and direct the necessary actions to revamp the City's IT plans, procurements, and infrastructure to drive improved services to citizens, increased information made available to the public, and better-informed decision-making. An IT department acts as a horizontal service organization whose mission is to support all agencies and departments within City government. It provides not only a technical link, but as importantly, a human link between departments that can facilitate accurate and timely communications. Having an IT manager in place will allow the City to identify the most efficient allocation and reallocation of technology resources to save the City money in the long term. Like all government organizations, progress will depend upon high-level leadership and support, capable City staff, outside contractors to fill important gaps, and a network of community and partner entities (like Isles).

We reiterate these and other specific challenges, as well as opportunities for reform, in our Strategy Development and Data and Information System Recommendations that follow.

IV. RECOMMENDATIONS: STRATEGY DEVELOPMENT

This section will address a series of areas in which the City of Trenton can, either itself or in partnership with third parties, **take short-term steps** to build upon existing revitalization efforts with the potential to have a significant impact on the City's problem properties and its physical environment, including:

- A. Coordinating city revitalization and blight removal efforts
- B. Building effective partnerships
- C. Reusing vacant properties
- D. Addressing problem rental properties
- E. Sustaining homeownership
- F. Building a vital downtown

The first two areas consist of overarching strategic needs, which we see as necessary conditions for the long-term success of each of the four subsequent substantive issues. Issues of vacant properties and problem rental housing were discussed extensively during the site visit meetings, as well as in previous meetings with City staff. Homeownership and downtown revitalization, while not addressed in detail during our meetings, are two additional areas which are critical to the city's revival and where the City can take steps that, at a relatively low cost, can generate potentially high returns in terms of changing the City's trajectory with respect to both substantive revitalization and perception.

The intent of these recommendations is not to suggest that the City is not already taking productive steps, but rather to help the City build on these existing actions and significantly grow their impact.

A. COORDINATING CITY REVITALIZATION AND BLIGHT REMOVAL EFFORTS

Problem Statement 1: The multiple challenges of revitalization and blight removal demand a higher level of structure and leadership to ensure effective, sustained coordination between multiple City departments.

One City department alone cannot effectively address problem properties across Trenton. Similarly, multiple departments working in “siloes” will also be limited in their success. An interdepartmental group focused on the complexities of the issue in Trenton is critical in order to effectively target the City’s efforts, ensure that necessary communication is occurring across all relevant City departments, and ensure that data and resources are used and shared in the most efficient and effective ways. Mayor Jackson has outlined his Five-Point Plan for addressing blight as an initial step to produce some quick results. However, not only is a comprehensive strategy needed to manage blight removal and revitalization both in the short- and long-term, but an administrative mechanism is needed to ensure that all of the efforts of the City departments that relate to revitalization and blight removal are effectively coordinated, with respect to developing strategies, goals, objectives, tactics, and measuring progress.

Recommendation 1: Create a blight task force under the leadership of the Mayor’s Office which is solely focused on developing and implementing a comprehensive revitalization and blight removal strategy, coordinating the efforts of all relevant departments, and measuring the progress of all problem property and revitalization efforts initiated by the City.

The task force should meet regularly, at least every two weeks to start in order to ensure ongoing communication across departments, track action plans, identify outstanding departmental challenges and needs, and report to the Mayor’s Office on achievements. While informal communication between department directors is valuable, it is not enough. Formation of a blight task force, or other ongoing, structured interdepartmental working system, with clear leadership and accountability, is a critical element in mounting an effective, sustained revitalization effort. One individual should be appointed to head the task force, with the clear authority delegated by the Mayor to resolve differences and ensure that all departments are on the same page. All department directors must be held accountable for regular progress reporting. The task force should identify specific performance targets and gather the necessary data to track and document progress and issues encountered over time. (See Recommendation 2 under the Data and Information Systems section for the discussion of the BlightStat model).

The task force should take responsibility for developing and adopting the systematic, multi-year plan described in Recommendation 2 below to guide its strategic initiatives, because of the multiple dimensions and multiple players involved in addressing any of those issues.

In order for the task force to be successful, it is critical that there is leadership from the Mayor's Office. At a minimum, departments participating in the blight task force should include:

- The Mayor's Office
- Department of Public Works
- Finance Department
- Housing and Economic Development
- Inspections Department
- Police Department
- Fire Department
- Law Department

A new City IT manager or director (whether new hire or contracted position) should also be a participant in the task force.³

In addition, the task force can work with external participants from the community to leverage their efforts and tap into the expertise of local partners. For example, participants from the Trenton Neighborhood Restoration Campaign would be useful additions to discussion and planning around particular efforts of the task force.

Problem Statement 2: The City lacks an overall strategic focus on revitalization and blight removal

While the Mayor's Five-Point Plan is a good first step, it is only a first step. Removing blight and bringing about the revitalization of the city of Trenton are complex, multi-faceted challenges that will only be effectively solved through sustained, long-term action.

Recommendation 2: Design and adopt a strategic, multi-year revitalization and blight removal game plan.

To achieve its goals, the City should develop and then stick to a well thought-out, systematic and multi-year plan to guide its strategic revitalization initiatives, particularly those dealing with blight, because of the multiple dimensions and multiple players involved. While the City is fortunate to have a dedicated, capable mayor and a cadre of talented, committed department directors, it is nonetheless subject to severe constraints affecting its overall capacity. Years of cuts have eroded staffing capacity below the director level, as well as the City's management and information systems. While the City is working to rebuild staff and management capacity, its ability to do so is limited by severe constraints on public financial resources, which are unlikely to change significantly in the near future.

³ The importance of hiring of an IT manager is also stressed in Recommendation 1 under Data and Information Systems.

The recommended plan needs to balance the City's strategic objectives with the difficult realities of its resource constraints, as well as balance what we refer to as external initiatives, or visible, programmatic strategies, with internal ones, or the steps that the City needs to take to rebuild its technical, fiscal, and managerial capacity. It should be able to answer a series of questions, beginning with short-term questions:

- What are the City's highest-priority external initiatives?
- What needs to happen immediately, in order both to address internal operational capacity, and to be able to move forward with the highest-priority external initiatives?
- What can the City do immediately, in light of its fiscal and managerial capacity? What additional capacity should be added immediately in order to move forward with the highest-priority external objectives?
- How should these immediate steps be taken so that they do not impede but further the City's ability to move forward with long-term goals?

Problem Statement 3: The responsibilities of Housing and Inspections are intricately linked. However, their separation into two departments discourages the level of integration – not just coordination – the linkages demand.

From an organizational standpoint, the City’s efforts to address landlords and rental housing, as well as the efforts to deal with vacant properties, straddle two departments: Housing and Economic Development, and Inspections. In contrast to other departments, where the need for coordination is driven by the fact that they have related responsibilities that need to be coordinated, when it comes to these two departments, their missions actually interlock in ways that dictate that effective outcomes require integration rather than simply coordination.

Recommendation 3: Consider re-organizing departments, moving Inspections into Housing and Economic Development.

The City should consider revisiting the question of whether the two departments should once again be combined into a single department, as was the case until their reorganization in 1990.⁴ An alternative approach would be to transfer responsibility for the rental licensing program to Housing and Economic Development, so that it can be integrated with the vacant property registration program, and the larger neighborhood strategies being pursued by that department.

B. BUILDING EFFECTIVE PARTNERSHIPS

Problem Statement 1: The City can maximize available resources and capacity to further revitalization and blight removal through partnerships with key community entities.

The City’s fiscal and staff capacity constraints emphasize the importance of leveraging the capacity of partnerships and cooperative relationships with supportive nonprofit entities. Oftentimes, City governments see partnerships narrowly as relationships with third parties for the purpose of *implementing* a particular project or strategy defined and framed by City government. Those typically involve areas, such as real estate development, where City government readily recognizes that it needs others to carry out the mission. These types of partnerships are important, even essential, but not enough.

The City should work to build *strategic* partnerships in addition to those focused on implementation. Organizations like Isles, New Jersey Community Capital, academic centers, and others who may not currently be engaged, can not only provide useful arm’s length advice, but if recognized as real partners, can be enlisted to work with the City to provide data, to design and flesh out strategies, to help set up management systems, and more. Enlisting Isles as

⁴ Combining these functions into a single department is not uncommon among small cities. In this region, both Allentown PA and Lancaster PA follow that model, which was recommended by Mayor Jackson’s transition team.

a partner not only to support the City's data needs but to engage directly in action against problem properties under a formal agreement with the City based on mutually agreed-upon guidelines, would enable the City to increase its limited capacity with the resources of an organization that not only has in-house capacity, but can access non-governmental funds. Similarly, residents and civic associations can become the City's 'eyes and ears' in the neighborhoods, enhancing the City's ability to address problem property issues successfully.

Isles has proven itself to be a valuable resource to the City. As evidenced by its co-application to TASP, Isles is providing much needed resources, including IT resources, during a period in which other City resources are limited. This relationship, however, is not formally defined in terms of overall purpose, goals and objectives, specific tasks, schedule with key target dates, list of City data that will be shared, and communication points of contact. Without these, it is very difficult to achieve shared objectives. In lieu of a shared understanding, each task requires assumptions to be made and clarifications regarding every aspect and detail.

While Isles is an important partner for the City, we do not suggest that it is the only one. As we discuss below, while still embryonic, Greater Trenton has the potential to be a key partner with respect to downtown revitalization. Neighborhood organizations can be effective partners to leverage code enforcement and other resources, including maintaining vacant lots, in many different ways. Research centers at area universities, such as Thomas Edison State College, Rutgers, or the College of New Jersey, can provide valuable support for planning and analysis efforts, while many of the private corporations in the region can also become valuable partners around specific initiatives. Finally, building stronger relationships with county as well as state government agencies can yield valuable results.

Recommendation 1a: Establish a formal partnership grounded in a Memorandum of Understanding (or similar document) between Isles and the City with respect to Isle's role in both data support and implementation of revitalization and blight removal strategies.

Recommendation 1b: In conjunction with entities like Isles and Thomas Edison State College, develop an inventory of potential partners, and the role that each can play in furthering the City's goals for revitalization and blight removal; following that, identify a high-level City employee to be responsible for outreach and development of formal relationships with potential partners.

C. REUSING VACANT PROPERTIES

Problem Statement 1: Despite the progress that has been made with the Vacant Property Registration Ordinance (VPRO), there still remain many vacant properties in the City that are not registered.

Recommendation 1: The City should pursue a targeted effort to maximize compliance with the VPRO.

The City should develop a systematic follow-up strategy to ensure compliance with the Vacant Property Registration Ordinance (VPRO). The City should use the vacant property database originally developed by Isles to determine which vacant properties have failed to comply with the VPRO ordinance *but are current (or nearly so) with respect to property taxes*, and focus their efforts on them. This represents a subset of property owners who are more likely to be motivated to comply through enforcement, as distinct from those who have already decided to abandon their properties.⁵

Problem Statement 2: The visibility of the City's Homesteading Program⁶ means that the City has a great deal at stake in its success.

Recommendation 2: Develop steps to ensure the Homesteading Program is a success once individuals actually acquire the properties.

The City should take the following actions with the support of external community organizations:

- Facilitate access to mortgage/property improvement financing, such as Section 203(k) loans;
- Provide homeownership counseling;
- Create supportive enforcement for plan review, permit issuance and site inspections through the CO process; and
- Offer assistance in selecting qualified, responsible contractors.⁷

⁵ This can be done through a three-way sorting of data: (1) properties in the VPRO list; (2) all vacant properties, to determine unregistered vacant properties; and (3) data from the tax collector to determine which properties are current on their taxes. Whether this should most appropriately be done through the City's Accela file or the Restoring Trenton file needs to be determined.

⁶ The Homesteading Program allows buyers to purchase city-owned properties for as low as \$1-10,000 (depending on the condition of the property) for the purposes of rehabilitating and living in the property. Buyers receive a five-year tax abatement on improvements made to the property. In order to qualify buyers must (1) be a first time homebuyer or non-resident looking to relocate to Trenton, (2) provide documentation demonstrating his/her ability to rehabilitate the property, and (3) commit to living in the property for at least 10 years.

⁷ While exercising care to ensure that the city does not run any liability risk in the event of a problem created by any contractor.

Problem Statement 3: The City has yet to take full advantage of the tools in the Abandoned Property Rehabilitation Act (APRA) for strategic vacant property acquisition.

Recommendation 3a: Appoint a public officer for purposes of implementing the tools in APRA who is knowledgeable about those tools and fully committed to using them to further the City's revitalization and blight removal strategy.

The Abandoned Properties Rehabilitation Act allows a municipality to appoint more than one public officer, which can include one individual who is solely responsible for implementing the tools in that act, while not affecting the responsibilities of another public officer who may be responsible for code enforcement-related actions under other statutes. The City should take advantage of this provision to maximize its effectiveness both in code enforcement and in implementing APRA tools to deal with vacant properties.

Recommendation 3b: Place eligible vacant properties not currently owned by the City and which have strong reuse or assembly potential on the City's Abandoned Property List, in order to lay the groundwork for potential spot blight eminent domain taking.

To the extent that site acquisition for reuse - whether individual homes for homesteading or larger parcels for redevelopment or economic development - becomes an important part of the City's revitalization strategy, the City should explore greater use of the vacant property tools available to it under the State's Abandoned Property Rehabilitation Act (APRA). Creating an Abandoned Property List⁸ under the provisions of APRA would allow the City to use the spot blight eminent domain provisions of New Jersey law⁹ to take properties on the list.¹⁰ It is important to stress that properties allowed to be placed on this list are vacant and abandoned, and notice must be provided to the owner verifying that the property has been abandoned. When given notice, the owner also has the option to restore the property and maintain it to code, in order to avoid a taking of the property.

This tool is particularly important when it becomes necessary to gain title to an abandoned property in order to provide a site to a potential user or redeveloper, since time is likely to be of the essence and spot blight taking is usually a faster process than tax foreclosure; moreover, it can be used when a vacant property is current on its taxes and not eligible for tax foreclosure, or where the tax lien is controlled by a third party investor. APRA essentially provides the City with another strategy for getting vacant and abandoned properties back to productive status.

⁸ To the best of our knowledge, while the City of Trenton has adopted the ordinance required by state law prior to creating the list, it has not actually created a list. It is important to stress that the statute does not require a municipality to place all of its abandoned properties on the list, but allows the municipality to be selective.

⁹ N.J.S.A.55:19-56(c)(2).

¹⁰ The City may want to look at other APRA tools, including the accelerated tax foreclosure process.

D. ADDRESSING PROBLEM RENTAL PROPERTIES

Problem Statement 1: With widespread evidence of rental housing in poor condition or poorly maintained, and increasing numbers of absentee owners buying properties in the city, the City needs to develop more effective strategies to address problem rental housing.

Three-fifths of Trenton's households are tenants, and half of its single family homes are renter-occupied.¹¹ Those numbers are growing; as the *Strong Neighborhoods* report found, three out of four single family houses sold since 2011 in Trenton have gone to an absentee buyer rather than an owner-occupant. While rental vacancy rates are high, rents – reflecting Trenton's location in a high-cost region – are also high. While rental housing is a critical resource for housing the city's low-income population, over half of Trenton's tenants pay over 30% of their income in rent. There appears to be widespread agreement, moreover, that a large part of the city's rental housing stock is in poor condition or poorly maintained by its owners. There are a number of steps that the City can take to ensure that Trenton's 17,000 renter families live in safe, healthy and sound housing.

The best vehicle to ensure compliance with minimum health and safety standards is through rental licensing. An effective landlord licensing scheme should not only significantly improve conditions for large numbers of low-income Trenton families, but should be able to do so with little cost to the City; furthermore, such a strategy can have a significant positive impact on some of the city's distressed neighborhoods where other strategies may be less effective in the short run.

Recommendation 1a: Enhance the existing rental licensing ordinance and shift to a performance-based licensing program¹²

While the City already has a rental licensing ordinance (Chapter 132-79 to 91.1 of the City Code), it could be enhanced through a series of steps:

- Create a comprehensive landlord/rental property licensing database. The existing Accela database in the Department of Inspections:

¹¹ According to the 2013 American Community Survey, 60.4% of Trenton households were renters. The analysis of MOD IV data conducted for the Strong Neighborhoods report found that 50.3% of single family homes in Trenton were owner-occupied.

¹² As this report was being written, we learned of the Appellate Division ruling in the case of Timber Glen Phase III LLC v. Township of Hamilton, which raises complex issues with respect to the ability of a municipality in New Jersey to implement a licensing program, and while may affect the legal status of some of the recommendations contained in this section. In the absence of a definitive analysis of these issues, however, we have left the recommendations intact.

- Has not been matched to the overall property record system to determine how complete its coverage of rental properties is; and
- Does not contain critical data being generated by other departments, including Police and Finance.
- Revise the ordinance to increase its effectiveness, including removing unenforceable provisions, and strengthening others.
- Undertake a systematic effort to ensure landlord compliance with the ordinance. A discussion of some specific ways by which that can be done appears in Appendix A of this report.
- Establish a firm timetable to transition to a performance-based system, to ensure that responsible landlord behavior is incentivized, and that limited City resources are used to focus on the minority of problem landlords.

It may not be possible to implement the performance-based system immediately, because it depends on having a database that can link data from inspection, police, and tax records, which does not currently exist. There do not appear to be severe technical problems, however, associated with creating such a database. In the City's comprehensive revitalization plan, however, we would urge that establishing a performance-based system be treated as a mid-range goal, to be implemented within no more than two years.

The revised ordinance should embody the criteria to be used for the performance-based program, while specifying that they would not go into effect until some future date.

To effectively maintain minimum quality levels in the city's rental housing, licensing inspections need to be conducted more often than every five years, as currently provided in the City's licensing ordinance.¹³ In order to facilitate more regular inspections, we recommend that the City consider going to an outsourcing model for the regular licensing inspections required by the ordinance.

The City can either (1) hire a single firm through a competitive process to be responsible for all inspections; or (2) create a list of approved inspectors based on responses to a Request for Qualifications. If the property owner is directly responsible for paying the inspector, the City should adjust its licensing fee downward accordingly¹⁴. By shifting responsibility to third parties for regular inspections, which can include change of occupancy inspections, on a self-supporting

¹³ Five years is far too long between inspections in a city with an older, widely-scattered, rental housing stock, and a large low-income tenant population. Under the performance-based model, the 'cleanest' properties, with fewest code complaints, police calls, etc., might be inspected every five years, with others inspected more often. Properties with a history of irresponsible management and maintenance may have to be inspected annually, if not more often. In municipalities we are familiar with that operate performance-based licensing systems, the worst offenders are re-inspected every six months.

¹⁴ The City should commission a qualified entity to conduct an assessment of the cost of running an effective licensing system, factoring in the outsourcing of regular inspections, and adjust the fee accordingly.

fee-based system, the City's small inspection staff can be redirected to responding to complaints and other urgent matters.

Outsourcing the scheduled inspection activities does not supersede the role of the City's housing inspectors to issue summons. The City's public officer has broad power under New Jersey law to "(d) to appoint and fix the duties of such officers, agents and employees as he deems necessary to carry out the purposes of the ordinances; and (e) to delegate any of his functions and powers under the ordinance to such officers and agents as he may designate."¹⁵ At a minimum, it is clear that the City can delegate the responsibility to conduct the regular inspections and re-inspections required by the licensing ordinance.¹⁶

As the City moves forward with revising and expanding its landlord licensing program, it is critical that it build in systematic outreach to the local landlord community, to be careful not to demonize the city's landlords.¹⁷ The message should recognize the importance of rental housing and landlords to the city as a whole, and focus on the City's desire to encourage (the majority of) responsible landlords, while identifying and dealing with (the small minority of) problem landlords. With proper encouragement, many of the city's landlords can become partners in the larger effort of neighborhood revitalization.

The *Strong Neighborhoods* report contains more detail on the structure of a performance-based system, as well as on potential 'good landlord' incentives that can be built into the system. As we discuss there, these strategies are a potentially effective way to improve conditions for residents in many of Trenton's most distressed neighborhoods¹⁸ without unreasonable outlay of City funds.

¹⁵ N.J.S.A.40:48-2.9

¹⁶ There is a strong case that can be made that, assuming proper procedures are followed, the City can in essence "deputize" qualified third party personnel to issue citations as well. If the City, however, is reluctant to pursue that route, it could provide in an agreement with a third party inspection service that properties that fail both the initial licensing inspection and the re-inspection would then be referred to a City housing inspector for a follow-up visit that may lead to a summons.

¹⁷ Clearly, Trenton contains some individual landlords that objectively deserve censure. The time and place for that is not when the City is trying to build landlord support for an enhanced regulatory scheme.

¹⁸ Neighborhoods classified 3 or 4 in the Strong Neighborhoods report.

Recommendation 1b: Increase landlord compliance through data and community engagement.

The City should consider putting the rental property database online, and encourage residents and civic associations to send in names of unlicensed landlords, for the City to then follow up.¹⁹ The City should take full advantage of citizen resources, perhaps through a partnership with the Trenton Council of Civic Associations or with the involvement of the members of the Trenton Neighborhood Restoration Campaign. Not only can citizens report unlicensed properties, but they can identify and report licensed properties that lack the identifying decal required by §132-79.B of the ordinance,²⁰ as well as report code violations visible from the street.²¹ Such a partnership can not only leverage limited City resources, but it can become a valuable tool for building citizen engagement in their neighborhoods.

A specific recommendation for use of a straightforward data application to identify and unlicensed landlords and follow-up to ensure that they enter the licensing system is presented under the Data and Information Systems section as Recommendation 4.

¹⁹ The City of Brooklyn Center, Minnesota, which has a state-of-the-art performance-based licensing system, posts the licensed properties, as well as their performance score for the preceding year (from A to D) on the city's web site.

²⁰ The City has not been enforcing this requirement for a number of years. At this point, the City needs to make a policy decision whether to enforce this provision of the licensing ordinance or repeal it, preferably in the context of a comprehensive review of that ordinance.

²¹ Many cities around the United States have mobilized citizens for similar activities; in Texas cities, they are generally known as 'code rangers'.

E. SUSTAINING HOMEOWNERSHIP

Problem Statement 1: Trenton has been rapidly losing homeowners, a dynamic which is having a destabilizing effect on many of the city's neighborhoods, undermining the City's efforts at revitalization and blight removal.

Trenton has been rapidly losing homeowners. Trenton's homeownership rate has dropped from nearly 60% in 1950 to under 40% today, while over half of this decline has taken place since 2000. Since 2011, as the *Strong Neighborhoods* report found, 3 out of 4 single family houses sold in Trenton have gone to an absentee buyer rather than an owner-occupant. These trends are having a destabilizing effect on the city's neighborhoods, including many areas where the basic social and physical fabric is still largely intact. At the same time, the City's limited resources, as well as the weakness of current market demand in much of the city, dictate that the City needs to start gradually and carefully with respect to strategies in this area,

Recommendation 1: Consider a pilot effort in a single neighborhood at risk of destabilization where a credible partner, in the form of a fairly strong civic association or neighborhood organization, or an engaged NGO, exists.

A strategy to encourage homeownership has two basic elements – to encourage existing homeowners to stay, maintain, and improve their homes; and to encourage new owner-occupant buyers who currently do not live in the neighborhood, or in some cases, who currently rent but do not own in the neighborhood.

While the City should be exploring long-term strategies in this area that can potentially impact a variety of different neighborhoods with different market conditions, the most appropriate short-term candidate areas should be those where the potential for short-term success is greatest. These are neighborhoods which are suffering from the loss of homeownership, reflected in high levels of investor purchases and low property values, but where other fundamental problems such as high levels of violent crime or vacant properties, which may need to be addressed in order to create the confidence level needed to sustain a successful homeownership strategy, are less severe.²² By finding a neighborhood where a credible partner entity is already active, the City can leverage its resources and increase the likelihood of meaningfully positive results.

²² Some of the neighborhoods that fit that description are Chestnut Park subarea 3 (between South Broad, Liberty and Lalor Streets), Hillcrest, the Island, and Villa Park. This point is discussed further in the *Strong Neighborhoods* report.

The City should consider a pilot effort in a single neighborhood at risk of destabilization fitting the above description, where a credible partner, in the form of a fairly strong civic association or neighborhood organization, or an engaged NGO, exists.²³

This may be appropriate as an initiative that would build on the Homesteading Program, targeting a neighborhood in which a number of properties are part of that program.

The program should include a number of different features, such as:

- Incentives for new home buyers;
- A program to increase the neighborhood's 'curb appeal' in terms of streets, sidewalks, yards, shade trees, and the like;
- Support for community events to draw visitors; and
- A neighborhood marketing strategy²⁴

The specific features of the program should be developed by the City and the partner organization(s), perhaps with the help of an experienced consultant.

F. BUILDING A VITAL DOWNTOWN

Problem Statement 1: Trenton's downtown represents an underutilized asset, which will require a systematic, sustained strategy to realize.

Recommendation 1: The City should give priority to the revitalization of downtown Trenton, using creation of a critical mass of market-rate housing as the central driving element of the revitalization strategy.

As someone once said, "downtowns are the low-hanging fruit of urban revitalization." Urban downtowns, with their density, transit connections, potential mixed-use opportunities, and job pool, tend to be the areas most readily amenable to revitalization, as they are most likely to appeal to growing, urban-oriented demographics, in particular well-educated young single people and couples. While downtown Trenton's fabric has been undermined by urban renewal and often ill-considered state office construction, it contains strong bones as well as a substantial workforce. In light of the city's location in the heart of an economically strong and growing

²³ Ideally, it would be preferable to initiate the program in more than one neighborhood, but given limited City resources, that may not be realistic. It is better to make a serious effort in a single area than to spread resources too thinly to have a significant impact.

²⁴ An introduction to neighborhood marketing strategies prepared by Alan Mallach, one of the authors of this report, for NeighborWorks America can be found at http://www.neighborworks.org/Documents/Community_Docs/Revitalization_Docs/StableCommunities_Docs/Neighborhood-Marketing-Overview.aspx

region, an underlying region-wide pool of market demand is likely to exist which can be tapped by the right strategy. Downtown Trenton offers significant opportunities for becoming a driving force for the city's economic revitalization. At the same time, as we discuss below, the future of downtown is closely linked to that of the immediately adjacent neighborhoods, a number of which are involved with revitalization efforts of their own. The City needs to work closely with the organizations pursuing these efforts.

The evidence is compelling from cities around the United States that the most productive path for downtown revitalization is not through office or retail development, but through creating a critical mass of market-rate housing; once that critical mass comes into being, it catalyzes in turn the growth of restaurants, cafes, and entertainment facilities; and eventually, but more slowly, a more diverse retail environment. The planned rehabilitation of the former Bell Telephone building in the 200 block of East State Street is a promising first step in this direction, but if it is not followed by more residential growth not only is it unlikely to have a significant impact, but its long-term outcome will be uncertain. It is important to note as well that that block abuts the Old Trenton neighborhood, which is the focus of a simultaneous revitalization strategy led by Isles. Linking the revitalization of downtown and that of Old Trenton could be beneficial to both areas.

Problem Statement 2: The City lacks the capacity to simultaneously implement a systematic downtown revitalization strategy as well as the neighborhood-level strategies to address vacant properties, problem rentals and homeownership described above.

Recommendation 2: Pursue a downtown revitalization strategy that utilizes public- and private-sector partners both in downtown and in surrounding neighborhoods.

Downtown revitalization offers the opportunity for the City to leverage a strong emerging private-sector partnership in Greater Trenton, an embryonic organization with the potential to become an effective lead agency for the revitalization of downtown. The City and Greater Trenton should provide planning direction and facilitate redevelopment activities by helping to assemble financing and to remove obstacles to development that may arise. As Greater Trenton takes shape, the City should explore the development of a MOU between the two entities, clearly setting forth the mission and responsibilities of each partner. At the same time, the City must recognize that Greater Trenton is still very much a work in progress; the City should support its growth, while being careful that its capabilities keep pace with its commitments, and that other entities which can contribute to the revitalization of downtown and the adjacent neighborhoods are actively engaged.

The presence of a strong partner is critical. By virtue of having a separate organization take responsibility for much of the labor-intensive work involved in implementing a downtown strategy, more of the City's energy is available for priority activities in areas, including many of the city's neighborhoods where strong partners do not presently exist.

V. RECOMMENDATIONS: DATA AND INFORMATION SYSTEMS

While some of the recommendations in this report will take time, and can be accomplished through long-term incremental steps, it is critical that the City and its partners begin working toward improvements to current blight-related data collection and management now, recognizing that many steps that should begin immediately will nonetheless take a much longer period to come to fruition, or be fully implemented. Rebuilding the City's in-house IT capacity, and beginning to model a BlightStat, or similar process structure for tracking not only property conditions but the City's progress in addressing problem property and other blight issues, are immediate priorities.

Problem Statement 1: The City does not have an information technology (IT) manager, to oversee and support Citywide technology investments, plans, and operations, manage vendors and contractors, and track the success of technology projects.

Without such a manager to oversee the City's efforts as a whole, IT activities are fragmented, and resources are being expended in ways that fail to maximize their benefit to City government as a whole. Departments procure systems with no consideration of similar needs by other departments in terms of both operational functionality and the ability to share information with other City systems. Unfortunately, this is a common issue in many cities.

Every City contract must be managed. However, given current capacity constraints, the City's current technology contractor is not being managed regularly and consistently. Performance objectives are not clear (or undefined), making it impossible to determine if contractual performance criteria are being met. Not only is this less than ideal for meeting the City's IT objectives, it makes it difficult for the contractor to properly prioritize requests received by multiple City departments.

Recommendation 1: Hire or engage a professional City IT manager who is responsible for information technology procurements, plans, and implementation.

This person should have extensive experience in developing information technology RFPs, managing technology projects, managing technology vendors and the implementation of complex technical systems. The IT manager would oversee all City IT projects above a certain funding level (e.g. all projects with a budget greater than \$25,000). In this role, the IT manager would ensure that all projects and technology investments and deployments consider the needs of all City departments and the City's long-term technology goals, not just the primary funding department. This person would also manage City data as an asset which includes a budget for its maintenance and a policy for sharing data internally and externally.

Hiring an IT manager is not only critical to resolving the problems mentioned above, but it is instrumental in more effectively implementing many of the recommendations outlined throughout this report.

Problem Statement 2: The City does not have the data, either on properties or municipal performance, to track its performance with respect to removing blight and revitalizing its neighborhoods.

Recommendation 2: Begin the process of building a BlightStat or similar model to measure and track progress on blight-related initiatives, and foster accountability in City government.

The BlightStat model includes identifying specific performance targets and gathering the necessary data to regularly track and document progress and issues or “bottlenecks” that may be encountered throughout the process of implementation. This recommendation should be combined with Recommendation 1 (to create a blight task force) described in the Strategy Development section, as well as the recommendations that follow in this report regarding data collection, management and sharing improvements. The blight task force would be responsible for following a BlightStat, or similar model, while the subsequent data-focused recommendations would serve as elements of a successful BlightStat model.

Other cities, such as the City of New Orleans – which developed a program known as BlightSTAT – have successfully prioritized the use of data to measure and track progress on its blight related initiatives through an interdepartmental approach. See **Figure 1** to learn more about New Orleans' success.

Figure 1: A data-driven approach to addressing blight in New Orleans

In September 2010, when Mayor Mitch Landrieu took office, he made blight removal and neighborhood revitalization a priority, and set out to reduce blight by 10,000 units by the end of 2014. At the time, there were nearly 44,000 blighted structures and lots across the city of New Orleans. In order to accomplish this ambitious goal the Mayor and his team prioritized data driven decision-making and coordinated action.

BlightSTAT

By November of 2010, Mayor Mitch Landrieu had put in place and championed the BlightSTAT model as a central tool for setting blight reduction goals and measuring progress toward these goals. The Office of Performance and Accountability helps to oversee BlightSTAT, which includes participation from the Department of Code Enforcement, the Office of Community Development, the New Orleans Redevelopment Authority, the Law Department, and the Office of Information Technology and Innovation. In the first year of BlightSTAT, these departments were required to provide status updates on their work and performance in bi-weekly meetings open to the public. After the first year, meetings were held once a month. Monthly, the number of inspections, abatement, demolitions, property dispositions, and more are measured against identified monthly targets, and processes for code enforcement as well as property acquisition and disposition are assessed along the way and further streamlined to remove any existing bottlenecks.

Under the Mayor and Office of Performance and Accountability's leadership, the BlightSTAT model holds all departments accountable for implementation of the City's comprehensive blight reduction strategy. To view the City of New Orleans' BlightSTAT homepage, including a complete list of monthly BlightSTAT reports illustrating performance measurements dating back to 2010, visit: <http://www.nola.gov/performance-and-accountability/reports/blightstat/>

In 2012, New Orleans' blight reduction strategy was recognized as a "Bright Idea in Government" by the Harvard University Kennedy School of Government and by 2014, New Orleans had seen a reduction in over 10,000 blighted structures and lots. The City continues to hold regular monthly BlightSTAT meetings today. Measuring and reporting on progress toward these blight reduction goals were made possible by the City's comprehensive data information tools.

Comprehensive and open data

In order to effectively collect, manage, track, and share data the City of New Orleans looked to two new tools: LAMA by the [Davenport Group](#) and BlightSTATUS by [CivicInsight](#).

LAMA serves as the internal, or ‘back-end’ data system for the City. The City’s IT Department manages the contract for LAMA, while multiple departments such as the Office of Performance and Accountability, Code Enforcement, and Safety and Permits have access to the system to record and manage data, and for document creation. The Davenport Group also created [LandWorks](#) for the New Orleans Redevelopment Authority, which displays all properties available in their inventory and allows potential buyers to submit expressions of interest.

While LAMA manages robust and comprehensive property data internally for City departments, the tool BlightSTATUS helps to display much of this data online. BlightSTATUS allows the public to view in a very user-friendly, web-mapping format where a property is in the code enforcement process, and to look up basic parcel information. The information displayed on BlightSTATUS is fed by the City’s internal databases. To view New Orleans’ BlightSTATUS, visit: <http://blightstatus.nola.gov/>

Further resources on New Orleans’ blight reduction efforts:

2014 Blight Reduction Report:

https://www.nola.gov/getattachment/Performance-and-Accountability/Initiatives-and-Reports/BlightSTAT/Blight-Report_web.pdf/

“New Orleans’ Winning Strategy in the War on Blight” by Governing Magazine: <http://www.governing.com/blogs/bfc/col-new-orleans-blightstat-vacant-dilapidated-property.html>

BlightSTAT webpage: <http://www.nola.gov/performance-and-accountability/reports/blightstat/>

Problem Statement 3: City staff do not have quick and easy access to accurate property-related information. This information is critical to effectively pursue blight elimination strategies.

Significant staff time is spent getting basic information about the status or condition of a property. In addition, the information that can be found is sometimes inaccurate or outdated,

creating additional complications in responding to citizens' requests or making property-related decisions. Geographic parcel boundary files are not up-to-date and the related real property tax system data are not linked properly. This makes it difficult for departments collecting and accessing property data – which is inherently geospatial - to easily view this information in the geographic context.

Recommendation 3: Create both short and long range plans to compile, manage and disseminate timely and accurate property and neighborhood information. Assign a single custodian of all City geographic and blight related information and create a master version of this data that can be shared with other departments. Work with what currently exists and develop plans to fill in the data gaps.

The creation of a single, comprehensive geographic data repository enables access to the key property data necessary to manage and track various blight elimination initiatives and other projects. The geographic data repository provides geographically linked City and other data for mapping and analysis in a Geographic Information System (GIS). The data would be collected from the various systems and sources in departments and warehoused in the GIS repository. This is an inexpensive and expedient alternative to the more technically complex, and longer term goal, “integration of departmental data systems.” The data can then be linked to geographic information for display and analysis. This also provides the ability to create an internal City web map that incorporates the key property-related information. It is important to start with a design that is simple and can be accomplished quickly, later adding in enhancements as possible based on resource availability.

We offer some potential actions that can achieve the above objective quickly:

- Assign an owner (department or position) to each City GIS data layer, especially the fundamental framework layers that include the City's parcel boundary layer. The owner has responsibility to perform updates and distribute the data to other City and external entities as appropriate.
- Define the technical resources that can participate. There are existing GIS resources at Housing and Economic Development, DPW - Water, and the Police Department. In addition, the City's IT contractor (ADPC) has some GIS capabilities that can be tapped. The City could expand the GIS contract at the Police Department to include some GIS-related support services.
- Consolidate the multiple geographic base maps at Housing and Economic Development, Police/Fire and the DPW - Water into one shared base map. Determine who will maintain the shared base map to keep it up-to-date. Eliminating these redundancies will provide for better quality data and reduce costs.
- Identify the key property-related data and geographic layers that are essential and available in managing blight. Document the source of the data along with quality

indicators, or defined data standards that will help determine if the data is acceptable for use by City staff.

- Create standards for managing real property data to ensure that the property tax database (MOD IV), the Tax Assessor CAMA data, the GIS parcel boundary layer, and the legal tax plats/maps are in sync.
- Modify the GIS parcel layer to link correctly to all real property tax records (MOD IV). It is our understanding that a prior City contractor (Civil Solutions) had developed a program to resolve issues in matching up all real property records in MOD IV to all geospatial parcel polygons. It is assumed that the City has ownership and possession of this program but may not have the technical personnel to administer, execute, and apply the results.
- Establish ESRI ArcGIS Online (AGO) as the main collaborative technology and mapping tool to share data, documents, create and share online maps, use analysis tools, build web mapping applications, and create and share benchmarking dashboards. AGO can also act as the tool to facilitate an Open Government/Data initiative with public sharing mechanisms built into it. AGO will be available as part of an ESRI license agreement.²⁵
- Develop an initial “blight web map,” using ESRI AGO to make reliable property information available to City staff in a simple, easy to use manner. This “blight web map” would be complementary to the web map on the RestoringTrenton.org website. It would contain additional data layers and information that are useful internally but not suitable for publishing to the public.
- Develop a geographic information data catalog, including metadata that describes the various City GIS data layers and identifies the owner and the entity that updates the data, along with establishing the maintenance schedule and responsible entity for each geographic data layer.
- Transition from the current GIS shape file-based data repository toward an ESRI ArcSDE geodatabase that can use the City’s existing Microsoft SQL Server database systems. This new geodatabase can serve as the City’s primary repository of geographic data including blight-related information. It has the advantage of more easily sharing data across departments (and other technologies) and to better link geospatial data to traditional data and systems.

For more extensive organization-wide GIS improvements, that are more costly, the City may explore opportunities for available funding from the Delaware Valley Regional Planning

²⁵ In order to start using ESRI ArcGIS Online, the City would need to update their ESRI software licensing agreements.

Commission. However, there needs to be a primary sponsor, such as an IT manager, to coordinate and manage the initiative.

Problem Statement 4: A substantial number of rental properties in the city are not licensed.

As noted earlier, the City's licensing ordinance is the key tool the City has to foster landlord compliance with building and maintenance standards. In light of the fact that three-fifths of Trenton's households are tenants, however, and half of its single family homes are renter-occupied,²⁶ it appears to be the case that a significant inventory of property is essentially off the City's radar. Getting these properties into the licensing system is a critical short-term priority.

Recommendation 4: Cross reference already-licensed landlords with the 'suspected landlord/rental property' file from the New Jersey Community Capital/Community Progress *Strong Neighborhoods* report to identify the landlords and properties which are not yet licensed.

- Combine the list of licensed properties and their owners maintained by the Inspections Department with the landlord database created for the *Strong Neighborhoods* report to create a comprehensive database of rental properties.
- Create a protocol to ensure that the database is updated every six months or every year from SR1A forms by identifying new absentee-owner property purchases²⁷
- Build the capacity to use the information on the Restoring Trenton website, including property data from MOD IV and transaction data from SR1A forms for block and other small area analysis.²⁸
- Create a system for generating mailings to unlicensed owners and purchasers instructing them to license their properties. The Inspections Department should then conduct targeted outreach to these landlords/rental properties to get them licensed.

While the amount of work involved in these steps is not substantial, it is hard for someone who already has ongoing responsibilities to devote the time to it when it is needed. It may be

²⁶ According to the 2013 American Community Survey, 60.4% of Trenton households were renters. The analysis of MOD IV data conducted for the Strong Neighborhoods report found that 50.3% of single family homes in Trenton were owner-occupied.

²⁷ The MOD4 and SR1A forms do not actually specify whether the owner is an absentee owner, but a highly accurate list can be created by comparing owner and property addresses, as well as screening properties where the addresses are the same for inappropriate owner names.

²⁸ This data is public record data, and the posting of these spreadsheets, sorted and with redundant fields removed, but otherwise unedited, should pose no issues of privacy or confidentiality.

preferable to find a student intern, or a third party, that could handle this, at modest or no cost.²⁹

This is a simple, low-cost way of helping to identify landlords not yet in the City's records. See Strategy Development Recommendations for Property Rental Properties for non-data specific actions to gain compliance.

Problem Statement 5: Neither landlords nor vacant property owners can register their properties and submit registration forms and fees online.

This creates unnecessary steps in the registration process, not only making the process much more complicated for landlords and vacant property owners, deterring registration, but also adding to the work of the Inspections, and the Housing and Economic Development Departments who are responsible for maintaining this information.

Recommendation 5: Provide online capability for licensing rental properties and registering vacant properties, including forms and payment of fees, through the City's website.

The rental licensing and vacant property registration information submitted online should feed into and automatically populate the rental and vacant property database after managerial approval of the information. Temporarily, this issue can be addressed by simply embedding forms on the City's website that will populate spreadsheets of data to be reviewed and approved by department staff responsible for managing the rental and vacant property databases. This at least in the short-term makes registration faster and easier so that more will be encouraged to do it.

As a long-term solution, this should be a function of the new software procured by the City (see Recommendation 8 below) with approval protections in place to reduce opportunities for staff review errors.

²⁹ The amount of time involved is small enough that it is not out of the question that a nonprofit organization or university center would make a student assistant or intern available for the amount of time needed without cost.

Problem Statement 6: The Department of Housing and Economic Development lacks a payment system that can efficiently process annual vacant property registration fees.

Recommendation 6: Engage another department that can make use of existing payment system capabilities to more easily accept and process the vacant property registration fees.

Housing and Economic Development plays a critical role in eliminating blight and improving neighborhoods – which is no small task. The more that can be done to focus staff capacity on functions specific to these goals, the better for the City and for Trenton’s residents. By removing the payment collections responsibility from the Housing and Economic Development Department’s workload, the department will be able to dedicate this time toward making necessary improvements to vacant property registration and other neighborhood stabilization programs in areas that fall within its staff’s existing expertise. Regardless of where these payments are processed however, the fees collected should be put back into funding for blight elimination and neighborhood stabilization efforts.

Problem Statement 7: The City does not have a plan to collect and maintain the key data required for ongoing reporting of problem properties, as well as for tracking landlord performance under the licensing ordinance. This results in a lack of up-to-date information critical to decision-making and performance measurement.

Organizing efforts around more accurate and up-to-date neighborhood and property-related information is a starting point that will:

- Enable a better understanding of blight and its causes;
- Identify the focus areas, both functional and geographic, upon which to organize and deploy resources;
- Allow for more efficient and effective coordination across City departments; and
- Provide the ability to track progress, benchmark, adjust tactics, and make better informed decisions.

Recommendation 7: Develop a list of data elements – internal and external - that the City can reasonably collect and maintain over time regarding vacant and abandoned properties, and occupied rental properties.

Focus on operational requirements and getting the information needed to support them. Make sure departmental functions, and the people who perform them, have all the data they need to complete their work successfully. A list of important datasets is provided in Appendix B.

The City should view its information resources (data) as an asset comparable to the City's physical assets that require investment and ongoing support and maintenance.

The City should view its information resources (data) as an asset comparable to the City's physical assets that require investment and ongoing support and maintenance. Software comes and goes but data is forever. Set the minimum interval for updates for each data element to ensure reliable and timely data are available for tracking and analysis. Consider a template for vacant and abandoned property reporting. The use of a standard template will assist in the consistency of data across an extended time period. Other departments could leverage the Trenton Department of Public Works (DPW) - Water Utilities' field data collection efforts using their new handheld data collection devices and in-field staff.

As mentioned above in the Strategy Development section under Recommendation 1, eliminating blight requires active participation as well as reliable, up-to-date data from multiple departments. Leadership of the blight task force should hold all data-contributing departments accountable for accuracy and timely report-outs. This review would be part of the regular task force meetings.

Problem Statement 8: The current Accela software used by the City is an unsupported version and does not have all the functionality that the City departments require to perform most efficiently and effectively.

The current software package does not provide a mobile capability for field data collection and updates. This is particularly problematic for a department like Inspections that operates regularly in the field, responding to multiple complaints and requests citywide every day. It makes the Inspections Department's work unnecessarily cumbersome and distracts staff's attention away from being more proactive and deploying their interventions more strategically.

Staff using the current software package are also limited by the lack of customization offered.

Recommendation 8: Procure a new (or upgraded) permit, inspection and/or property management software system that meets the needs of the City.

A detailed Request for Proposals (RFP) should be developed and include software-enabled mobile devices for the input of inspections and other events in the field by the Inspections Department and other City personnel. Other RFP functional requirements should include but are not limited to:

- a. Auto-Alerts for tasks such as re-inspection
- b. Form creation and automation (e.g. Vacant Property Registration Forms, Rental Licensing Forms)

- c. Rental Licensing and Tracking (Inspections)
- d. Vacant Property Registration (Housing and Economic Development)
- e. Vacant Property Survey and Updates (Housing and Economic Development)
- f. Inspection and Code Enforcement Tracking (Inspections)
- g. Interdepartmental Data Integration³⁰
- h. Mapping Component and/or Integration
- i. Custom Workflows
- j. Cloud-Based (requires no City technical infrastructure)

This new software system should integrate, or pull in data, through a live feed or nightly updates from the following sources:

- a. Inspections (code enforcement)
- b. Tax Assessor (property details)
- c. Tax Collector (liens, delinquency, etc.)
- d. Housing and Economic Development (vacant property)
- e. Public Works - Water (water usage data)
- f. Public Works (maintenance of properties – mow, clean data)

A number of off-the-shelf products exist, however it is important that the City comprehensively review these platforms to ensure their compatibility across departments, that they offer an appropriate level of customization, and that they offer adequate training and customer support to meet the City's current and changing needs.³¹ City and Isles staff had the opportunity to learn about a few examples of such systems that other communities around the country are using. **Figure 1** provides an example from the City of New Orleans.

It is possible that the City will be able to reallocate funding to this and other technology needs after a comprehensive review of current technology contracts – including budgets and scope of services. The City should allocate funding for the new or upgraded system and consider the current budgeted funding for the existing Accela system.

³⁰ See Appendix A for a list of Blight Management Data Requirements to integrate into system.

³¹ Such an off-the-shelf system would likely cost the City a minimum of \$200,000 for a two or three year contract. The City would need to go through a formal procurement process and evaluate its desired software options in order to determine an actual cost estimate, however.

Problem Statement 9: The lack of data regarding available, publicly-owned properties and the areas surrounding them makes it difficult for the City to match interested firms with available sites.

City staff shared that without the necessary information (e.g. site square footage, location of amenities, etc.) readily accessible, they are limited in their ability to match sites with prospective firms interested in moving into the city, firms already located in the city interested in expanding existing operations in the city, as well as to better target properties for acquisition and other activities.

Recommendation 9: Develop a GIS-based site assessment tool to help in matching interested firms locating to Trenton with appropriate and available sites.

As the City and others develop their property database and GIS capability, a site assessment tool should be created which could contain a variety of complementary layers:

- City-owned properties
- Other vacant properties
 - Vacant land
 - Vacant structures by type (residential, industrial, etc.)
- Properties listed with brokers³²
- Properties with tax liens
 - Liens held by City (subject to foreclosure)
 - Liens held by third parties

This can be used to identify prospective sites for firms interested in locating in the city, to identify the most strategically-located properties for tax foreclosure, as well as to determine in which cases it is preferable to sell or to retain City-owned property, based on future reuse and assembly potential.

This database must be user-friendly, regularly updated, and oriented to both public- and private-sector user needs. Whether this database should be inside City government, or maintained outside City government, possibly as part of the Restoring Trenton website, is a matter that should be determined on the basis of where it is most likely to be set up and maintained in a manner that meets those criteria.

³² Although one cannot be certain, it is more than likely that brokers listing local properties will be eager to provide the City with information for this database.

VI. CONCLUSION

The City of Trenton faces daunting tasks as it tries to rebuild from the combined effects of the Great Recession, the collapse of the housing market following the bubble of the 2000s, and years of fiscal constraints and shrinking local government capacity. The Jackson Administration has brought in a highly capable leadership team that has begun to move forward in many of the directions that are needed to restore the city to strength and vitality. This report is written with the goal of assisting that team, as well as their nonprofit and community partners, in that effort.

While all of the recommendations included in this report are important to building upon the City's Five-Point Plan and improving the City's data collection, management and sharing practices, the City should focus particular attention on the following areas:

1. *Establishing a blight task force under the leadership of the Mayor's Office;*
2. *Designing and adopting a strategic, multi-year revitalization and blight removal plan;*
3. *Organizing a strategic focus around the four key revitalization themes addressed in this report: vacant properties, problem rental housing, sustaining homeownership, and creating a strong, vital downtown;*
4. *Creating strong planning, information, and implementation partnerships with city and regional public, private, and nonprofit organizations;*
5. *Engaging a full-time, professional City IT manager to be responsible for managing all information technology procurements, plans, and implementations; and*
6. *Designing and implementing short and long range plans to compile, manage, and disseminate timely and accurate property and neighborhood information.*

These recommendations can drastically improve coordination across departments and with technology improvements, as well as facilitate the successful implementation of new and/or enhanced revitalization initiatives.

APPENDIX A: GETTING LANDLORDS INTO A LICENSING SYSTEM

(Taken from *Raising the Bar: Linking Incentives and Regulation through Rental Licensing* published by the Center for Community Progress)

While no municipality can expect to have 100% of the landlords licensed, at least 80% to 90% should be licensed for the licensing regime to be effective. This can only happen through a systematic effort to gain compliance. Obvious strategies, such as door to door campaigns, are likely to be both expensive and ineffective. Cities have limited resources to devote to this task, and must come up with more cost-effective strategies to gain compliance. Some of those strategies may be able to take advantage of available technologies in creative ways. This section describes three strategies municipalities can use.

a. Mass mailing.

- (1) Create a list of ‘presumptive’ rental properties, by comparing property addresses to the name and address of the person to whom property tax bills are sent, and sorting by the latter address (some money can be saved by sending a single mailing to the owner of multiple properties). The list should be screened to identify those properties that are already licensed so that they do not receive mailings.
- (2) Send the owner of record a packet containing the following information:
 - a. A cover letter explaining the licensing requirement affecting all rental properties in the municipality.
 - b. A flier explaining the provisions of the licensing ordinance and regime.
 - c. A licensing form, for the owners of rental properties to return to the municipality with the appropriate fee.
 - d. An affidavit of non-rental status, a sworn document which the owner can complete and return if the property is not being used as a rental property.

The mailing should also indicate that the municipality has adopted a six month (or similar period) amnesty, during which no landlord will be penalized for failing to file a licensing application. It should further describe the potential penalties to

which the owner may be subject if he or she fails to get the property licensed within that period, or if the owner files the affidavit of non-rental status and is subsequently found to be operating the property as a rental property.

- (3) Send a follow-up letter to owners who fail to respond, one way or the other, to the initial mailing. This letter should go out 45 to 60 days after the initial mailing. While resources are unlikely to permit systematic visits to the properties of all owners who fail to respond, a schedule of spot-checks should be developed within the limits of available personnel.

b. Transaction-driven mailing

- (1) Arrange with the county to receive a list of new sales transactions on a regular basis (at least monthly).
- (2) As the municipality is notified of each transaction, the same packet described above should be mailed to the owner of record. Since the owner in many cases will be unfamiliar with the municipality, the packet should also include a flier with other information likely to be useful to a property owner in the municipality, such as emergency phone numbers, landlord-tenant ordinances, code requirements, and trash collection and utility billing schedules.
- (3) As above, a second letter should be sent to those who do not respond to the initial mailing. Depending on the number of properties involved and the resources available, follow-up visits should be made to some or all of the properties where the owner has failed to respond.

The mailing process can, in large part, be automated; in other words, the addresses can be entered into a computer, and appropriate software can be installed to generate the mailings. Depending on the volume and costs involved, the municipality may want to contract with a direct mail firm which already has the necessary equipment, rather than doing this in-house.

c. Citizen reporting (drop-a-dime)

Despite a municipality's best efforts, many landlords may remain unlicensed. In order to get more of those landlords into the regime, the municipality can utilize the eyes and ears of its residents to report unlicensed landlords.

- (1) Create and post in a highly-visible location on the municipality's web site an accessible, searchable data base of all of the *licensed* rental properties, with their owners' names and contact information.
- (2) Create on the municipal web site a simple means by which residents or neighborhood organizations can report properties that (1) they believe to be rental properties; and (2) do not appear in the municipality's licensed rental property data base. This can take the form of a box in which the resident can enter the address of the property.
- (3) When properties are reported, send the owner of record a mailing similar to that described under 1.1(a) above.
- (4) Once these features have been put on the municipality's web site, get the word out energetically to civic organizations and neighborhood groups, urging them to use it to help establish and maintain the quality of the municipality's rental housing stock.

The procedure should be simple and *anonymous*. Requiring people who report properties to identify themselves discourages reporting, and is not legally necessary, since reporting a property does not trigger a legal intervention such as a code or health inspection, but only triggers a mailing informing the owner of the licensing requirement.

In view of the widespread ownership of smartphones, communities should explore whether an app may be available that people can download to their smartphones and use for this purpose. Existing systems that have been developed for people to report vacant, blighted properties could easily be adapted to reporting unlicensed landlords.

APPENDIX B: LIST OF BLIGHT MANAGEMENT DATA REQUIREMENTS

(critical data elements in bold text)

The following list of data elements provides a guideline for compiling data sources that can inform the situation regarding blight and problem properties. The property block and lot identifier is the least ambiguous data element for the linking of data and efforts should be made to ensure that all important City datasets include the block and lot data elements.

1. Property identifiers for linking datasets
 - a. **Block and lot identifier**
 - b. **Address identifier (property and building)**
2. Assessed and taxable property values
3. Property tax delinquency and lien data
4. Property owner information and “mail to” address
5. Last property sale date and amount
6. Historic property sales data
7. Owner occupied indicator
8. City-owned property indicator (including responsible agency)
9. Geographic parcel boundary data
10. Vacant building indicator (including vacant property registrations)
11. Vacant lot indicator
12. Property code violations
13. Property condition
14. Inspections data (what types of inspections?)
15. Rental licensing data
16. Vacant registration data
17. Planned demolitions
18. Lot dimensions and area
19. Zoning codes
20. Land use codes
21. Neighborhood
22. Market study layers
23. Mortgage foreclosure data
24. Water utility usage data by property address (or PIN)

- 25. Crime data (911 Calls For Service and Uniform Crime Reporting data)
- 26. Fire incident data
- 27. Environmental data

APPENDIX C: TASP PROJECT TEAM BIOS

Bill Ballard, President & Founder, LocationAge

Bill Ballard is an expert in the application of geographic information and technologies and has led many successful projects for a variety of clients, both government and commercial. He was a lead technical consultant for Baltimore's original CitiStat program, a comprehensive municipal management and accountability project that has inspired similar implementations in cities around the nation and the globe. Bill holds a Masters in Computer Science from Pace University and a degree in Geography from Macalester College.

Payton A. Heins, Program Officer of Michigan Initiatives, Center for Community Progress

Payton A. Heins serves as Program Officer for Michigan Initiatives at the Center for Community Progress, working out of Flint and Detroit, MI. In this role, Payton works with communities across the country to help them develop new approaches to vacant, abandoned, and problem properties. Payton also recently researched and co-authored *Take it to the Bank: How Land Banks Are Strengthening America's Neighborhoods* (2014).

Prior to joining Community Progress in 2012, Payton managed project-based and housing choice voucher programs for a nonprofit in Eaton County, Michigan, helping homeless individuals and families obtain stable and affordable housing. She has also worked with various community based organizations, including the Southwest Detroit Business Association, on community-driven nuisance abatement, and served as research assistant to Dr. June Manning Thomas at the University of Michigan's Taubman College of Architecture and Urban Planning.

Payton received her Master of Urban Planning degree from the University of Michigan, specializing in Housing, Community and Economic Development. She has a Bachelor of Arts degree from James Madison College at Michigan State University, where she majored in Social Relations and Policy, and spent two years studying Political Science at Universitaet Freiburg in Baden Wuerttemberg, Germany.

Alan Mallach, Senior Fellow, Center for Community Progress

Alan Mallach is a senior fellow at the Center for Community Progress in Washington DC. A city planner, advocate and writer, he is nationally known for his work on housing, economic development, and urban revitalization, and has worked with local governments and community organizations across the country to develop creative policies and strategies to rebuild their cities and neighborhoods. A former director of housing & economic development in Trenton, New

Jersey, he currently teaches in the graduate city planning program at Pratt Institute in New York City. He has spoken on housing and urban issues in the United States, Europe, Israel and Japan, and was a visiting scholar at the University of Nevada Las Vegas for the 2010-2011 academic year. His recent books include *A Decent Home: Planning, Building and Preserving Affordable Housing* and *Bringing Buildings Back: From Vacant Properties to Community Assets*, which has become a resource for thousands of planners, lawyers, public officials and community leaders dealing with problem property and revitalization issues. He is a member of the College of Fellows of the American Institute of Certified Planners, and holds a B.A. degree from Yale University.

Recent Publications: *Who's Moving to the Cities, Who Isn't: Comparing American Cities* (September 2014), *Long-Term Stress and Systemic Failure: Taking Seriously the Fiscal Crisis of America's Older Cities* (September 2011)