



Using Data to Craft Effective, Efficient and Equitable Revitalization Strategies

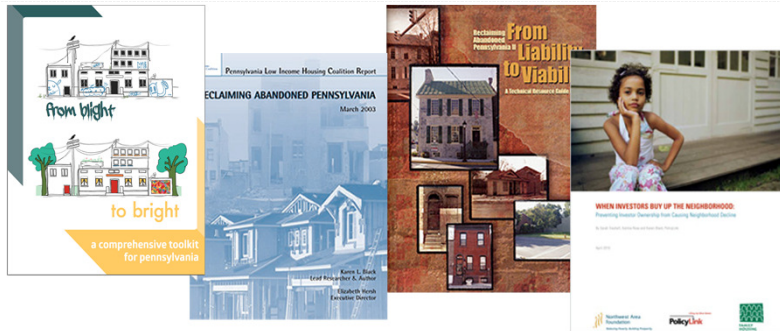
Westmoreland and Indiana Counties
June 25, 2019



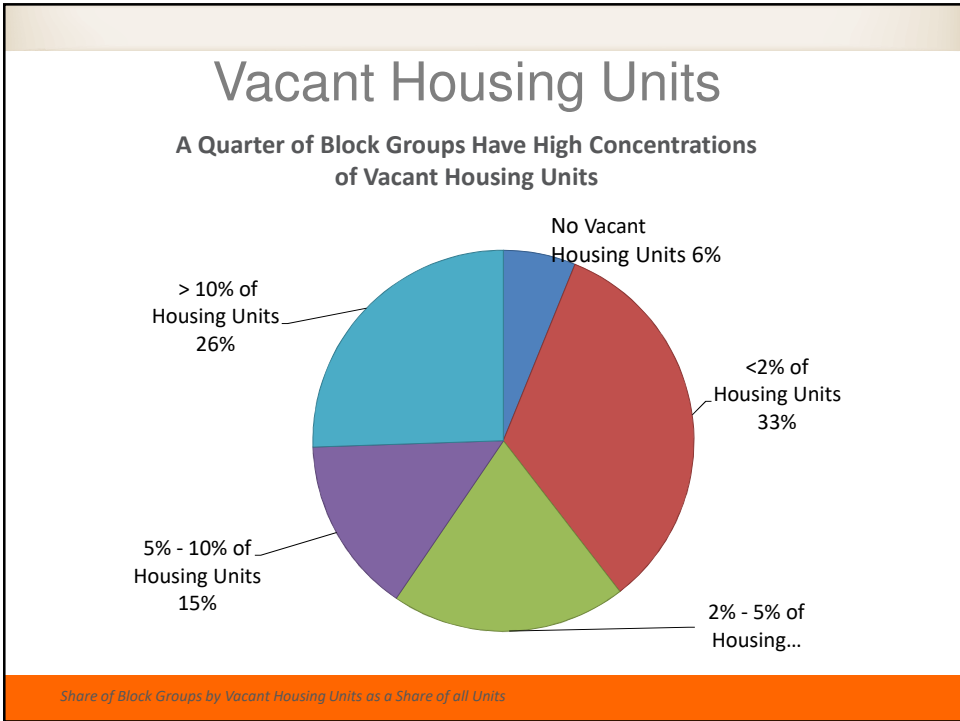
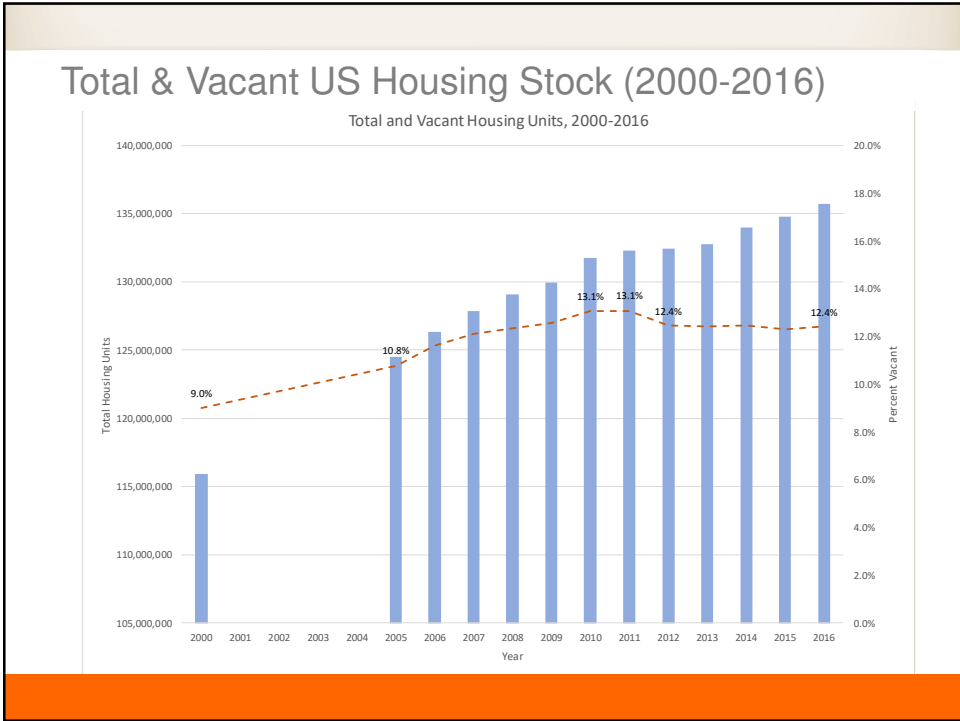
@KarenBlackMay8

Karen Black, May 8 Consulting Inc.

Changing Blight Law and Policy



May 8 Consulting Principal
University of Pennsylvania Urban Studies Lecturer
Drexel University Lindy Institute for Urban Innovation Senior
Research Fellow
Healthy Rowhouse Project Co-Founder



Relevant Data Points

Property Value and Investment

- Median Sales Price
- Sales Variance
- New Construction/ Rehab Activity
- Mortgage Lending (purchase and refi/repair)

Blight, Vacancy, Distress

- Foreclosure Filings/ Bank Sales
- Code Violations
- Vacant Housing Units
- Vacant Land Parcels

Housing Characteristics

- Owner-Occupancy
- Single family/multi-family/ Condos
- Subsidy
- Residential/Other Uses
- Turnover



What Do You Do With The Data?

Examine spatial patterns

- Where are the highest and lowest sales prices?
- Where are the highest and lowest numbers of property sales?
- Where is vacancy clustered?
- Do property condition issues follow the spatial pattern of vacancy?
- Are the demolition-condition properties in one geography or multiple?

What Do You Do With The Data?

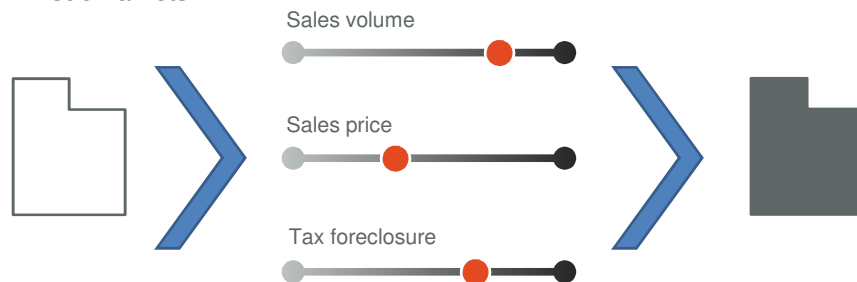
Examine trends: How are things changing over time?

- Are sales and prices increasing or decreasing?
- Has the type of ownership changed?
- What are rates of new construction in areas?
- What are rates of new vacancy in areas?
- Are there areas where property conditions have steeply declined or improved?

What Do You Do With The Data?

Examine market types: What areas have similarities?

- How do an area's market indicators compare to the rest of the municipality?
- What areas have similar characteristics?
- Where are the strong, functioning, transitional, constrained, weak, submarkets?





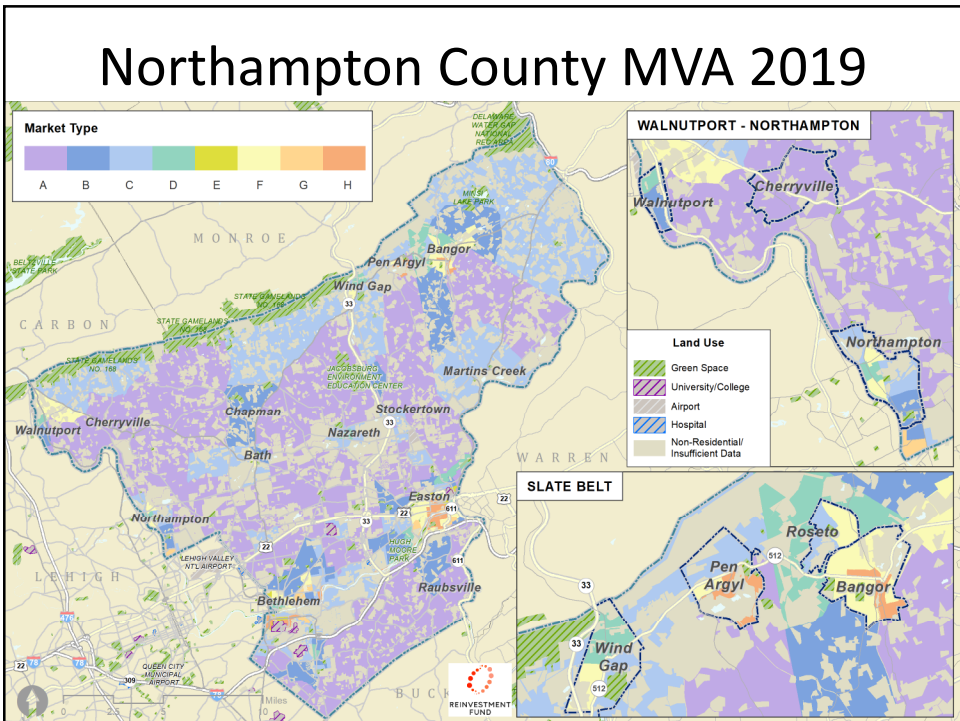
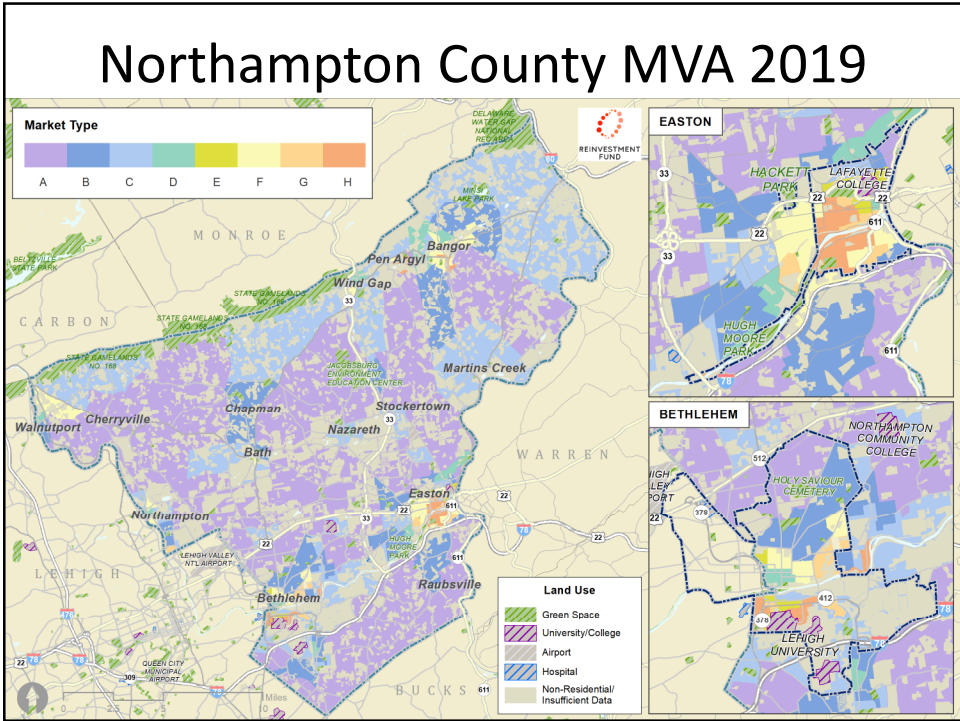
Northampton County Blight Reversal & Remediation Task Force

May 1, 2019

MAY 8 CONSULTING  **REINVESTMENT FUND**  

Northampton Market Variables

Value and Investment	Median Sales Price (<i>value level</i>) Sales Price Variance (<i>value range</i>) Area of New Parcels since 2015 (<i>new construction proxy</i>) Investor Sales (<i>profit potential</i>)
Distress and Vacancy	Distressed Residential Properties Sheriff Sale or Tax Lien Sale Listing Low Electricity Usage (<i>vacancy proxy</i>)
Housing Characteristics	Owner-Occupancy Rate % Area that is Residential (<i>key at county level</i>) Density of Housing Units Subsidy (<i>supplement to private investment</i>)

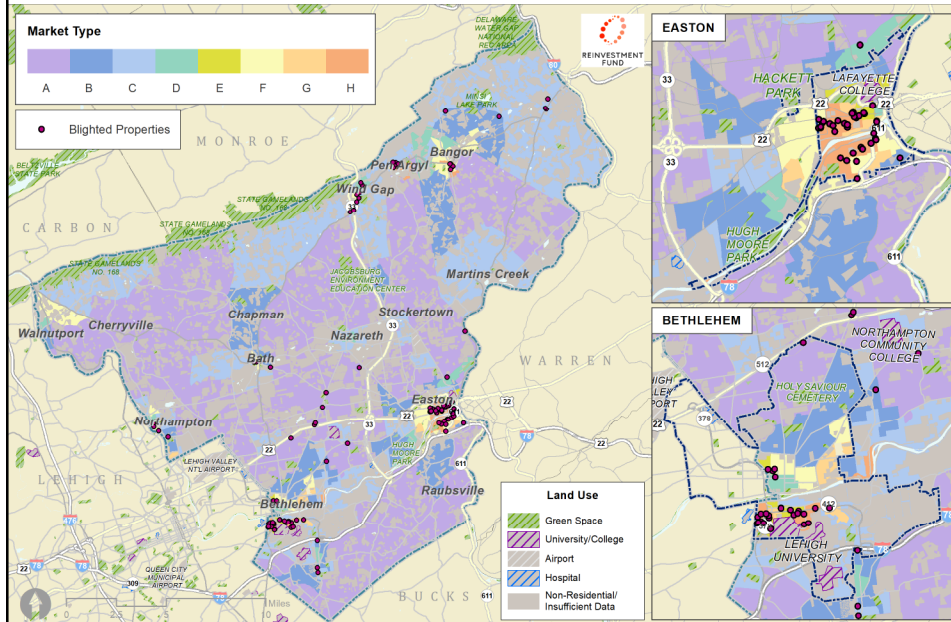


Northampton County MVA 2019

		Housing Value and Sales-Related Characteristics			Housing Characteristics				Investments			Distress	
Cluster	Block Group (#)	Median Sales Price	Variance of Sales Price	2-4 Family Homes	Own Occ.	Rentals with Subsidy	Housing Density	Residential Area	Invest. Purch.	New Parcel Area	Percent New Parcel	Distressed Residential Properties	Low Electricity Usage
A	52 (25%)	\$278,981	0.45	0.8%	80%	0%	1.22	56%	5%	15.92	1.6%	3%	3%
B	45 (22%)	\$174,583	0.35	0.8%	74%	1%	5.28	72%	6%	0.54	0.1%	4%	3%
C	39 (19%)	\$173,897	0.5	2.1%	67%	1%	3.48	36%	7%	5.69	0.2%	4%	3%
D	11 (5%)	\$189,609	0.63	9.5%	42%	41%	15.23	48%	12%	0.48	0.5%	6%	6%
E	6 (3%)	\$120,967	0.68	14.8%	21%	3%	23.47	23%	53%	0.01	1.1%	14%	20%
F	26 (13%)	\$113,040	0.51	6.5%	56%	4%	11.24	51%	16%	0.14	0.4%	8%	4%
G	9 (4%)	\$91,768	0.52	4.7%	37%	81%	27.78	36%	20%	0.13	0.0%	13%	8%
H	19 (9%)	\$73,778	0.77	10.7%	40%	9%	19.06	57%	27%	0.01	0.0%	18%	7%
County	208	\$180,195	0.49	4%	64%	8%	7.96	53%	11%	5.21	0.6%	6%	4%



Locally Identified Problem Properties



Locally Identified Problem Properties

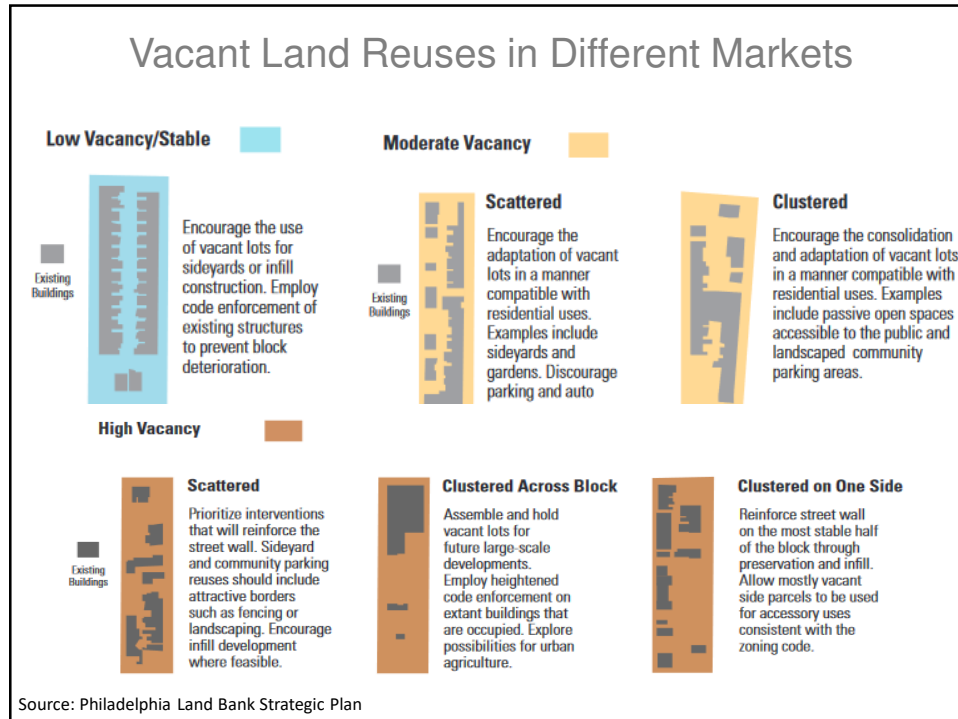
Land Use	# of Properties
2 -4 Family, Residential	10 (9%)
Bar or Taproom	2
Boarding House	1
Bowling Alley	2
Church	1
Mobile Home - on owned land	3
Motel/Hotel, with Restaurant	1
NIP, Warehousing/Manufacturing	8
Public Utility	1
Repair Shop or Garage	3
Restaurant	1
Retail, Conversion	2
Retail, General	2
Retail, Mixed: Retail / Apt. or Office	7
Single Family, Residential	52 (46%)
Theater (Indoor)	1
Truck Terminal / Distribution Center	1
Vacant Land	2
Unknown	12 (11%)
Total	112 (100%)

Market Type	Problem Properties (Total)	Certified Blight (Bethlehem & Easton)
A	8 (7%)	0 (0%)
B	7 (6%)	1 (3%)
C	10 (9%)	0 (0%)
D	4 (4%)	0 (0%)
E	10 (9%)	3 (9%)
F	22 (20%)	5 (14%)
G	6 (5%)	2 (6%)
H	44 (39%)	24 (69%)
Insufficient Data	1 (1%)	0 (0%)
County	112 (100%)	35 (100%)



Recommendations based on Data/Legal Analysis

Market Specific Tools	A	B	C	D	E	F	G	H	Other Considerations
Quality of Life Violation Ticketing Ordinance		x	x			x			Use in single family or commercial areas where a ticket can alert owner early to violations and allow for a quick repair. Use along with home repair grants and loans.
Municipal Code and Ordinance Compliance Act					x		x	x	Reserve for "worst of the worst" investors who own multiple blighted properties
Doors and Windows Ordinance	x	x	x	x					Focus on "board ups" in otherwise stable areas
Asset Attachment					x	x	x	x	Target investor owners of blighted property in weaker markets who have significant assets
Hall of Shame									Reserve for "worst of the worst" investors who own multiple blighted properties
Conservatorship		x	x	x	x	x			Encourage for vacant properties with nonresponsive owners where market value allows conservator to eventually recoup costs
Vacant Lot Remediation (side lots, community gardens)							x	x	Green lots where size, dimensions or lack of market demand make development improbable in short or long term
Targeted Land Bank or Redevelopment Authority Activities (if formed)		x	x	x	x	x			A mix of more and less valuable properties is essential to make land banking budget financially sustainable
Home Repair Loans		x	x	x	x	x	x	x	Aimed at seniors on fixed incomes and homeowners who cannot obtain private market home improvement loans; equity in the "A" markets should eliminate need
Estate Administration	x	x	x	x	x	x	x	x	Redevelopment Authority required so currently only available to Bethlehem and Easton
Commercial Corridor Support	x	x	x	x	x	x			Support commercial corridors with viable businesses



Data Allows Targeting of Limited Resources

- Target enforcement efforts to 3-5 worst properties that have greatest negative impact
- Reserve harshest penalties for absentee owners who have clear assets but refuse to invest in their properties.
- Do not impose severe fees and penalties on good owners or owners without money who will walk away from their properties
- Publicize actions taken to motivate other owners

MAY 8 CONSULTING

Doors and Windows – Data Use

- Must place real windows and doors on all openings (i.e., not plywood or masonry).
- Daily fines for failure = \$300 per opening
- City can attach fines to the personal property of violators. Fees and fines used to fund inspections.

What Markets Would You Target?
 What Owners Would You Target?
 What Data Do You Need?



* See: <http://legislation.phila.gov/attachments/10949.pdf>

Data Allows Targeting

- Requires all structures *on blocks with at least 80% occupancy* to have working doors and windows.
- Targeted owners of multiple blighting buildings
- 53% compliance rate from citations
- 62% compliance rate for those taken to Blight Court



* See: <http://legislation.phila.gov/attachments/10949.pdf>

Data Shows Impact


- Compliance by owners of long-term vacant structures increased surrounding sales prices by \$74 million
- Increased transfer tax revenue for city by \$2.34
- Area around houses saw 19% reduction in assaults and 39% reduction in gun assaults and decreased nuisance crimes.
- \$1.1 million in fees collected used to fund inspections and enforcement



Using Data to Craft Effective, Efficient and Equitable Revitalization Strategies

Westmoreland and Indiana Counties
June 25, 2019



 @KarenBlackMay8

Karen Black, May 8 Consulting Inc.