

Erie's Make or Break — Quality, Affordable Housing in Every Neighborhood



Editor's note: Following is part of an ongoing series of JES articles on sustainability issues written by Court Gould, an Erie resident and a professional in the field.

By Court Gould

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Foreward

The purpose of this report is to show how creating opportunities for quality, affordable housing is key to Erie attaining prosperity in the 21st century. No matter how much commercial growth is achieved, the city cannot succeed if people do not want to live in its neighborhoods. This essay urges Erie's public and private leaders to study the recommendations outlined in the following report, convene housing stakeholders routinely, and work together to bolster systems that serve neighborhood order and quality of life issues that are crucial to creating mixed housing opportunities for all residents. In so doing, Erie will create growing, diverse, and vital communities in every neighborhood.

Introduction

This report is a natural progression from the most recent articles in the Jefferson Educational Society series on sustainability issues central to Erie's prosperity. The prior article titled <u>Getting Back to Basics – Small Stuff</u> <u>Matters in Erie's Competition for Residents</u> presented factors that contribute to a sense of order and community caring often overlooked in Erie neighborhoods. It explored how retaining and attracting residents to the city is tied to the getting "back to basics" of good sidewalks, healthy trees, and abating litter. The article is organized around numerous recommendations to improve management of such various community infrastructure.

The report presented here also features practical recommendations for how to improve quality of life issues necessary for Erie to grow and prosper. The focus, however, transcends the "small" amenities of the sidewalk realm and moves right into the home, opening the door of Maslow's "Hierarchy of Needs" in which the city's winning hand is dealt through housing opportunity.

A high priority need is to improve the quality of the housing stock in the community by increasing the amount of decent, safe, sound, and accessible housing for homeowners, renters, and homebuyers that is affordable to low and moderate income persons families. Another high and priority is a need to improve the public and community facilities, infrastructure, public services, and the quality of life for all residents in the community. City of Erie's recent Consolidated Plan (a strategic plan to implement federal programs for housing and community development activities per U.S. Department of Housing and Urban Development)

Neighborhoods with quality, affordable, mixed-income housing for all people create value that attracts investment and grows population. This is the formula to break Erie's decades of corrosive segregation and poverty. The key to housing opportunity in mixed neighborhoods, however, is mutual respect or neighborliness and supports necessary for all to achieve shared quality of life. While some people break the social contract of being a good neighbor, there are systems in place that are supposed to intervene, find solutions, and re-establish order. There is a problem, however. Worse than no systems for addressing unneighborly behavior are those that are weak.

This report tries to make the case for the promise of housing opportunity in welcoming neighborhoods, the high stakes for Erie, systems that are ripe to be improved, and makes numerous recommendations to mitigate Erie's housing disorder that continues to put Erie on its economic heels while impeding the ultimate glue that holds Erie's promise – person to person respect and care.

Background

Erie's variety of housing types is a precious asset. From expensive luxury condos to workforce housing, to subsidized rental units, Erie has them all. The availability of quality and affordable housing (homes and apartments) located uniformly across and within the city's neighborhoods is however one of Erie's greatest weaknesses. Segregated neighborhoods, rundown houses and apartments, and a paucity of quality rental units causes a web of interrelated problems. The city's ongoing housing malaise undercuts otherwise monumental investments to restore Erie's hopes for being a great, growing city.

The large, and necessary-to-be-tackled, antidote is citywide housing opportunity. Equitable housing opportunity through mixed development is essential to Erie's growth strategy to ensure prosperity accrues to everyone and that long-term neighbors continue to enrich the neighborhoods. In order to grow Erie's economy, people of all types (across the spectrum of low-, middle-, and upper-wage classes) need to have opportunity to reside together

harmoniously in integrated, affordable city neighborhoods. The substance of cohesive neighborhoods, increased safety in neighborhoods, wellmaintained housing stock, and residents who engage with one another for mutual support would have an immeasurable impact on investment in the city and improvement of neighborhoods. This missing ingredient underpins many of Erie's most intractable headwinds. Equitable housing opportunity in every neighborhood is necessary to break the cycles of disinvestment, shore up property values, and sustain Erie's rich diversity of neighbors – racially, ethnically, culturally, and socioeconomically.

The cost created by decades of erosion of the city's housing opportunity exacts tremendous economic loss. Erie is paying dearly. There are, however, great economic and human gains to be realized through committing

more resources. Addressing equitable housing in Erie promises a grand benefit in which every dollar spent on neighborhood revitalization reaps multifold returns. The good news is that city leadership is working hard to expedite reforms and solutions. There is much that is working well upon which to build. And there are models here to be emulated. For example, the Housing Authority of the City of Erie (HACE), through its understanding of the imperative of quality housing, runs an effective and recognized public housing program with a variety of forms of interventions to ensure their properties and tenants are cared for and contribute to the community.

One thing is clear: The city must address its housing crisis. All of the money spent on downtown development, widening and narrowing roadways, and renovating city parks means nothing if its residents live in overpriced squalor.

Erie At Large: Housing Crisis

Erie's continued population slide Housing segregation, disinvestment and racial injustice

Concentrated poverty, disinvestment, loss of property value & tax revenue

Less welcome for mix of affordable housing Exacerbated by suboptimal systems of: Rental Registry, Property Inspections, Code Enforcement, Blight Remediation, Landlords, Education on Being a Good Neighbor, Coordination of Social & Human Services with Emergency Response and Data



Stunted

property values

Lack of investment and access to amenties



Poverty, feelings of being disrespected

Erosion of social fabric

Dispair and resentment contribute to property and neighborhood deterioration

Jefferson Educational Society

Erie Refocused: Inequitable Neighborhoods Are Erie's Achilles Heel

The scale of the housing problem and many interconnected issues that haunt Erie were recently quantified. The 2016 Erie Refocused comprehensive plan resulted in a field survey of more than 25,000 residential structures. Each Erie dwelling was surveyed and scored relative to perceived marketability and distress/risk factors, such as exterior condition, degrees of disinvestment vs. upkeep, vacancy, abandonment, investment needed, and blight.

Properties were then put into a continuum of five categories or degrees ranked from Very Healthy to Very Unhealthy. Based on the prevalence of homes by category, combined with analysis of federal, state, and local datasets (describing household characteristics, property sales, crime, tax delinquency, code violations, and many other variables), the city's 17 residential planning areas were characterized per one of five levels of strategic concern: Highly Distressed, Distressed, Transitional At-Risk, Stable At-Risk, Healthy.

The chart below presents sociodemographic and state of housing data comparing Erie's residential planning areas. The data in Erie Refocused illustrates the linkages between Erie's economy, racial segregation, areas of disinvestment, and housing conditions.

Erie Refocused Data	Highly Distressed	Distressed	Transitional At-Risk	Stable At-Risk	Healthy	Erie City Total
Sociodemographic						
Population	*16,398	25,035	22,498	28,919	6,796	**101,786
% Minority	57%	30%	33%	14%	7%	28%
% Poverty	43%	37%	25%	16%	5%	27%
% Adults w/ Bachelor's or Higher	10%	19%	18%	24%	47%	21%
% Homeownership Rate	31%	31%	60%	71%	77%	51%
Housing						
% Homes Good or Excellent	6%	7%	21%	39%	66%	26%
% Homes Moderate or Severe Distress	78%	60%	39%	14%	6%	37%
% Residential Properties w/ Code Violations	47%	22%	7%	5%	2%	14%
% Tax Delinquent	25%	14%	10%	5%	3%	10%
Vacancy	19%	13%	8%	5%	7%	10%

*The City of Erie's Blighted Property Review Committee (BPRC) currently lists approximately 191 properties as <u>declared blighted</u>.

**The chart uses a 2010 Census population figure (101,786) which is greater than the updated 2020 city of Erie census of 94,831 people. This 6.8 percent decline is in step with the trend of city population loss that began in the 1970s.

This data together with Erie Refocused findings paint a troubled picture as stated in the report:

- The most distressed areas have the:
- greatest number of older housing units that are deteriorated and with code violations;
- highest number of rental units and lowest rate of homeownership;
- highest rates of poverty;
- lower property values and rents.

• Disinvestment is pervasive, contagious, and costly. A large portion of the city's housing stock is deteriorated. For example, 45 percent of residential properties are located on or adjacent to blocks where one or more properties are visibly distressed and 39 percent of residential properties are located on or adjacent to blocks where at least 10 percent of properties are visibly distressed.

• Each year, an estimated \$96 million is being withheld from housing and home improvement expenditures by Erie households because of poor market signals. This is money that would be spent on housing if Erie households behaved like typical American households in well-functioning housing markets. Sales prices of houses drop significantly in proximity to distressed properties thus stunting property values, which in turn costs the city in property taxes every year.

• There are high concentrations of low-income and often minority households occupying the city's least desirable housing on the city's least desirable blocks, thus underscoring the levels of racial and social segregation.

Erie Refocused further observed:

• The stark social differences between the city's healthiest and most distressed neighborhoods undermine the city's and the region's potential to be healthy and competitive.

- Population loss by regional migration and suburbanization has resulted, over a period of decades, in:
- substantial supply/demand imbalances that have weakened the city's housing market and led to deterioration of a large portion of the city's housing stock
- a deeply eroded middle class
- assets in peril

- municipal finances insufficient to make the investments needed to transform the city's competitive position

- 4,700 vacant housing units, 1,900 abandoned housing units, and another 9,500 residential properties with

signs of moderate to severe distress

To this list can be added the unfortunate human tragedy at the hands of poverty in the most under-resourced and undervalued city neighborhoods. In these areas, for example, children suffer higher exposure to lead and other deleterious environmental injustice conditions. Segregation and concentrated poverty deny families opportunities for generational wealth-building (particularly through lack of ability to own a home) and students fall behind where household transience and trauma – caused by having to move often in search of quality housing – dislocates families from their schools, teachers, and friends.

Erie Refocused levels a stark warning that the decades-long imbalance of housing supply and demand has created a dire situation in Erie in which the housing market and neighborhoods, through decades of disinvestment, are dangerously weakened. The report warns that if the community does not address underlying problems of excess and obsolete housing supply, a missing middle class, and town/waterfront connections, Erie cannot be competitive and healthy again — and it will not grow again — until it addresses these imbalances, shortages, and

disconnections in a comprehensive and intentional way.

There is no escaping the need for Erie to confront its housing liabilities. COVID-19 has only intensified the urgency.

The poor condition of much of the housing stock in Erie County affordable to lower-income households limits the array of neighborhoods from which they can choose to live.

<u>City of Erie, PAFY2022 Draft Annual Action Plan</u> to implement federal programs for housing and community development

Then Came the Pandemic

In many ways, the pernicious impacts of Erie's disinvestment, fueled by decades of declining population, have been exacerbated and further brought to light by the COVID-19 pandemic. Today, just six years since Erie Refocused, the housing supply and demand imbalance to which Erie Refocused spoke, has undergone a major readjustment — partially, but not all for the better. The housing market has undergone great upheaval nationally and locally. Demand skyrocketed during the heights of the pandemic for both rental and homeowner properties. Prices went up too. Stories of purchasers paying above asking price and houses selling in just days of going on the market have been commonplace. The trends don't show signs of fading anytime soon, though the effect of inflation and the rise in interest rates remains to be seen.

Erie Refocused's proclaiming that Erie's large supply of housing exceeded low demand remains true to a point. Supply remains too great – but only of poor-quality rentals and homes. Demand, however, has flipped from low to very high for affordable, quality places to live throughout the city. Quality homes are increasingly scarce and rising in cost in step with borrowers having taken advantage of historically, but now increasing, low mortgage rates. All the while, in step with Erie's economic struggles, housing prices in Erie are among the lowest in the nation. As noted in this past Spring's article titled, <u>As Home Prices Soar</u>, <u>Here Are the Cheapest Places in America To Buy a Home</u>, "Higher-than-average unemployment, lower wages, and a drop in population have kept home prices relatively low here (Erie)." The advantage in this adversity is that Erie has many homes worthy of fixing up if investors bet on community rebound in coming years fueled by a whole city commitment to rebuild inclusive, mixed neighborhoods.

The pandemic-fueled housing trends, together with *rising inflation, make home ownership increasingly out of reach for many. All the while, renters too feel the pinch as high demand and competition contributes to landlords raising rental rates while too often not updating or cleaning units. For example, according to the Housing Authority of the City of Erie, which administers the Housing Choice Voucher Program (Section 8), during the height of the pandemic there was a lack of available affordable housing. At that time, subsidized housing applicants were often unable to find a rental unit that would pass housing quality standards inspection, if they were able to find an available unit at all. The long search process often resulted in applicants losing their rental assistance as the subsidy system's allotted limit of 60 days to search (with the ability to extend by another 60 days if requested and approved) was not sufficient in the tight housing market. Happily, with easing of the pandemic, so too has the dearth of Section 8 subsidized rental units.

* "The monthly mortgage payment it takes to buy the typical home in the United States is now up by a <u>staggering</u> <u>55% compared</u> with the start of last year."

Need for Rental Properties Increasing

With the superheated housing trends continuing in 2022, Erie (the state's 5th largest city) is on its way to joining many other cities where there are more renters than homeowners. This is the case in Pennsylvania's 4th largest—<u>Reading</u>, 3rd largest—<u>Allentown</u>, and 2nd — <u>Pittsburgh</u>. (In the 1st largest, <u>Philadelphia</u> rental units are 46 percent of total units). The mix of rental to ownership in the city of Erie is about even now (but varies greatly by neighborhood in step with widespread <u>federally sponsored redli</u>ning that dictated Erie's unequal growth and development by locking targeted neighborhoods into dislocation and decline). According to 2021 American Community Survey data, of Erie's <u>44,856</u> housing units (total of all types), <u>48 percent (21,531 units)</u> are rentals (up from <u>44 percent in 2000</u>).

"When you apply at HANDS, provided you meet our income qualifications, you will be placed on the waiting list of your choice. Please note that there is a great need for affordable housing in our community and the majority of our properties have long waiting lists or no availability."

Frequently Asked Questions for Potential HANDS Housing Residents

"It's a huge issue, especially on the west bayfront. We're seeing a tightness in the housing market here." said Anna Frantz of Our West Bayfront. "We're hearing that rents are going up, and there's just frankly not many quality affordable homes that are available, so we're excited to be able to take these buildings, which had been vacant and put them back on the market and make them available to lower income families."

More Affordable Housing Coming to Erie's West Side

While homeownership is central to neighborhood stabilization, abundance of rental units is also both necessary for housing opportunity and prerequisite for Erie's prosperity. In order for Erie to grow, everyone has to have opportunity to live together. The key is that the systems in place to ensure harmony in the neighborhoods are in need of additional optimization and investment. These include: code enforcement, rental registration, rental inspection, quality of life ticketing, and coordination of emergency and social/human services response, and more.

Social Fabric is the Silver Bullet

The leaders who guided development of Erie Refocused were on target about the importance of neighborliness. They could not have known how prophetic were their pre-COVID words: "To a large extent, the social fabric of individual residential blocks has frayed, producing the increasingly common scenario where neighbors are strangers to one another – or at the very least lack a sense of common civic direction. This deficit matters because it shapes how much trust people have in their neighbors and leaders – and how confident or willing people feel about investing time and energy on their block and in their city. Restoring an ethic of reinvestment – of mutual reinvestment – is fundamental to the healthy functioning of markets but more so to the social contracts that make markets work, that make neighborhoods work, and that make cities strong."

If Erie's social fabric was thin in spring of 2016 when Erie Refocused was printed, it surely is hanging by a thread now. In the face of illness and death, trauma, distrust, violence, volatile markets, and isolation, living through the pandemic on one hand has eroded civility. On the other hand, the adversity of living with the pandemic has reaffirmed the importance of feeling safe and secure at home, of family, and of values of neighborly care. This is a timely compensation to be harvested.

Now is the moment for Erie to grapple with its simultaneous greatest strength and challenge. Erie is small and potentially tightknit enough for people to be connected and involved in the care of a community unlike larger metros, and coming out of the pandemic, like never before. Building a shared sense of community is the required silver bullet for Erie to become a place where all neighborhoods welcome and provide quality, affordable housing opportunities to everyone. Providing quality, affordable housing of choice to all Erie's people throughout the city is essential to reversing decades of disinvestment.

Benefits of Mixed Housing Neighborhoods

Erie's growth depends on equitable housing opportunity and how growth occurs determines it. For example, for the economy to grow, all must live in safe/quality housing, be able to work to their potential, and the city needs to retain its residents while successfully attracting new, particularly highly skilled, high-wage earners. Diverse neighborhoods with authentic character are a magnet for attraction and retention. Integration of new economy workers into mixed neighborhoods can help break patterns of segregation and concentrated poverty. Conversely, through gentrification, when high-wage earners are concentrated in exclusive communities, longtime neighbors over time are displaced – or more near term is the exclusion of low-income in-movers who represent diversity. Such will continue the concentration of poverty in certain areas and will exacerbate Erie's social and economic woes.

Neighborhoods with diverse housing inventory facilitate racial diversity and are lifters of all boats, so to speak. Among <u>rationales</u> is the thought that, "Mixed-income development aims to combine housing for low-income people with market-rate units for higher earners. Part of the idea is that wealthier neighbors create a higher tax base for an area, and their purchasing power attracts more retail and other services. That means more stores, parks, and jobs for everyone, including their low-income neighbors. It's an attractive idea, for sure." Additional benefits of welcoming neighborhoods are presented in the following excerpts:

• "<u>Research shows</u> that kids under age 12 who move into mixed-income neighborhoods are more likely to attend college or university and less likely to be single parents than those who remain in poor neighborhoods. In other words, for the city's most disadvantaged populations, finding a place in a mixed-income neighborhood can mean a new outlook on life."

The secrets to a lasting mixed-income neighborhood

• "Recent studies show that low-income children who grow up in mixed-income neighborhoods make more money throughout life — 16 percent more than those in entirely low-income areas. Keeping poverty concentrated is a recipe for more poverty, while mixed-income could show a way out." *When housing mixes rich and poor, it's not instant harmony*

• "Neutralizing the power of some neighborhoods to exclude would expand opportunity for traditionally isolated groups such as Black people and immigrants, reduce social tension, and balance power between neighborhoods. Many higher-income residents of predominantly single-family neighborhoods fear that zoning changes that increase housing inventory diversity will negatively impact their property values, because new residents will be lower-income. However, our findings show that neighborhoods with diverse housing inventory are not substantially lower income than exclusively single-family neighborhoods. This is consistent with other research that has found that legalizing apartments, including <u>subsidized low-income housing</u>, does not negatively affect property values, and even sometimes <u>increases land values</u> by capitalizing new development potential. *Diverse neighborhoods are made of diverse housing*

• "Stable, affordable housing provides benefits to both people with low incomes and local economies overall. Despite these benefits, property owners who live near proposed affordable housing developments often oppose such projects, citing fear that the developments will cause their property values to decline. However, empirical research provides little evidence that subsidized housing depresses neighborhood property values ... We find that affordable units in the city of Alexandria (Virginia) are associated with a small but statistically significant increase in property values of 0.09 percent within 1/16 of a mile of a development, on average – a distance comparable to a typical urban block. ... These findings should ease residents' concerns about the impact of affordable housing

While the benefits of mixed housing communities are well-substantiated, neighborliness is not always a given. It takes work. As such, the systems (including property inspections, code enforcement, coordination of social services, etc.) that seek to ensure mutual respect and neighborhood orderliness urgently need concentrated attention without further delay.



Civic Systems for Harmonious Neighborhoods

While it is safe to say tightly knit and quality neighborhoods are an aspiration shared by most residents in the city of Erie, it is also understood that "high quality" means different things to people of richly differing cultural mores.

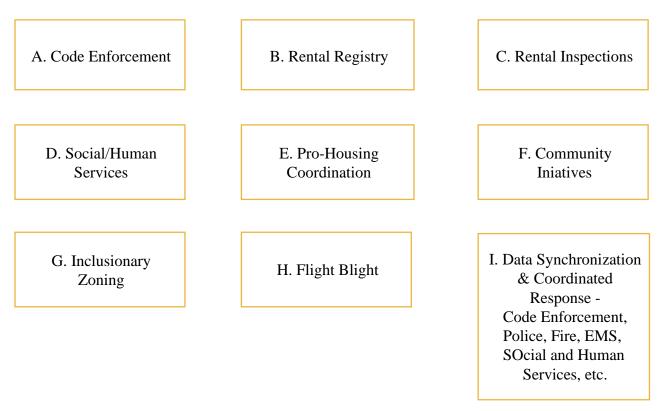
However, generally speaking, the most desirous neighborhoods are those that uphold shared values related to:

- safety, security, no fear (personal, property, etc.)
- cleanliness of streets, sidewalks, yards, parks per trash, dog waste, vandalism, etc.
- healthy, well-kempt homes vs. Blight
- orderly parking, trash/recycling storage and disposal, etc.
- racial/ethnic respect, equity, and inclusion
- access to high quality schools
- disturbances (music, shouting, backyard burning, loud cars/motorcycles, fireworks, etc.)
- calm street traffic shared with pedestrians, bicycles, etc.
- other forms of orderliness (crime, drugs, violence, exploitation, intoxication, etc.)
- compliance with codes and ordinances
- respectful neighbors considerate of and who look out for one another

Such values are essential to neighborhoods being welcoming and embracing such that all people are able to coexist and enjoy affordable, mixed housing opportunity. Without the upholding of priority neighborly values, those who can will move away. Investments will languish.

Accordingly, all cities have policies and programs in place to maintain the tenets of order that are the foundation for civility in vibrant neighborhoods.

The following are such systems that aim to establish norms of neighborliness — the social contract to live respectfully together in welcoming neighborhoods where all feel welcome and free to pursue their best lives without hindrance:



A. Code Enforcement

A well-functioning code enforcement program is critical to neighborhood stabilization. It is a necessary system to protect and uphold values held by residents for order and quality of life and to ward off the perils of neighborhood decline.

The quality of housing stock is deteriorating due to lack of investment. Landlords of rental properties are not maintaining their property, and many homeowners cannot afford to maintain their property as needed. Housing programs that support reinvestment are needed. Stronger code enforcement is needed.

<u>Our West Bayfront Community</u> <u>Plan – August 2016</u> The code enforcement system in Erie is presently undergoing a process of review and needed reform. Representing commitment and solid strategy, a major action came in 2020 when Code Enforcement was moved from Public Works into the city's Department of Planning and Neighborhood Resources. This reassignment is already proving positive toward better integrating Code Enforcement with the suite of planning-related functions that guide growth, development, and housing opportunity. This move appropriately places code matters as a recognized and essential tool to work collaboratively with other programs and with residents for neighborhood order and livability as opposed to traditionally narrow views of code enforcement being more about a "cite and level fines" approach to building, property, and safety matters.

Another positive step being pursued by the city planning department is use of American Rescue Plan (ARP) funds for information technology innovations through purchase of software programs to make code

enforcement more efficient and enable the capture of data that can be layered and integrated across departments with other neighborhood-related city functions (property conditions, crime statistics, ownership data, etc.). New information technology platforms will enable the code enforcement officer to remotely generate reports from the field with geocoding and photographs of a given property.

In this way, the officer's report will be generated automatically as he/she moves from house to house as opposed to having to wait until returning to the office and laboriously crafting documentation from notes and memory. Use of ARPA funds for systems innovation is directly in line with federal funding intents. It is a one-time expense that will modernize systems and pay returns in efficiency and effectiveness long into the future without causing new additional unfunded costs for when the federal monies are depleted. This investment is a good start. More is warranted.

Further illustrating recognition of the need for reforms to the code enforcement system are additional efforts now underway. For example, the city has long depended on its use of federal Community Development Block Grant (CDBG) dollars to fund the code enforcement program.

Studies of proactive code enforcement in Rochester, New York and Grand Rapids, Michigan found that landlords improve housing quality and address safety risks when consistent, predictable enforcement makes it a business necessity for them to do so.

Rental Code Enforcement in Philadelphia - How it works, and what other cities are doing

While welcomed, CDBG funds come with necessary paperwork strings attached that slow and impede expeditious progress. By recently switching to relying more on city general fund dollars, various CDBG restrictions are eliminated thus freeing up code officers to address additional classes of properties that otherwise were not eligible per CDBG resources. And the significantly less amount of time previously devoted to satisfying federal paperwork requirements equates to more time spent on the core work of code enforcement by the already very busy personnel. The time saved is akin to having an additional code officer on hand.

Overall, every effort needs to be made to ensure that properties do not unduly place a burden on their tenants

and neighbors. Repeated violators in the public realm create conditions of neglect that can snowball to beget more of the same. This directly fuels feelings of helplessness and ill will among neighbors. Before long, decay becomes the accepted norm. An effective code enforcement program is necessary to create public confidence and engender goodwill among neighbors. Residents need to be educated about code enforcement's intention to sustain harmonious neighborhoods and thus welcoming to all residents. And people need to see results when they take the initiative to report violations. Code enforcement is integral to neighborhood rejuvenation and the city's equitable economic development in which affordable housing opportunity is welcomed in all neighborhoods.

Code Enforcement Recommendations:

Additional reforms to the Code Enforcement system that deserve review and consideration include:

- Public Perception

A name change may be appropriate to break the stigma of the Code Enforcement program being perceived as primarily punitive. Rather than being a punishing arm, ideally the Code Enforcement program is rooted in community values of solving problems and support. This role stands to be enhanced through integration with social/human support services and work cooperatively with the community to make sure property owners are ultimately held accountable to address code problems quickly. In step with the name of the department itself (Department of Planning and Neighborhood Resources), a superior name to convey the code enforcement role of finding solutions and strengthening social fabric – one block at a time – could be the likes of "Neighborhood Services, Code and Permit Support."

- Education

Education of Erie residents about the Code Enforcement program should address:

- Why code enforcement is important, the neighborhood values to be upheld, and everyone's stake in the matter.

- The city's commitment to move from a punitive system to that of problem solving and threading together means of assistance for property owners.

- How to submit code violation concerns to the city. As such, an education campaign should be
- developed that addresses: what to look for, how to submit a complaint, confidentiality, what to expect, etc.
- Understanding that before code enforcement sweeps in target areas, residents will be forewarned.

- The public should have online access to an "easy to digest" inventory of what code enforcement officers look for at a typical property. Also readily available should be resources for assistance to homeowners and residents, what to expect if they receive a citation, and how to respond in different scenarios.

- Staffing

Analyze the number of officers necessary to administer a best-in-class Code Enforcement program relative to other similarly sized cities with comparable number of properties in distress.

- Proactive

Move from a reactive, complaint-driven system, to a proactive one. The present Code Enforcement program's reliance on citizen complaints to trigger inspections (except in the case of required rental unit inspections per rental registry/licensure) suggests an insufficiency in staffing and potentially contributes to a range of problems. A system largely based on complaints may tend to accentuate inequities as some tenants may be fearful of reporting problems that in turn could risk perception of possible landlord recriminations. This may be among reasons why code complaints are noted to be greater in number in frequency in the West Bayfront neighborhoods compared to that of the East Erie neighborhoods. This happenstance may be due to the lower levels of poverty in western parts

of the city that likely come with greater expectations among residents for property upkeep. Such is speculated to be opposed to the situation in other neighborhoods that are deeply in the grips of generational poverty and where a sense of entitlement is likely muted. Poverty may diminish one's sense of personal agency to be able to counter ill conditions that otherwise sadly spread and begin to be accepted as norms.

Presently, the city Code Enforcement program prides itself in appropriately giving residents and owners fair notice before punitive actions. Code concerns are flagged but not cited. A courtesy verbal "heads up" is given. In turn, time is allowed to bring the violations into compliance. In moving to a proactive program, leading with this commitment is key. For example, the city should increasingly work closely with neighborhood groups and other means to reach residents in order to educate and inform all well in advance of active code enforcement "sweeps" to targeted blocks. Coming in advance of proactive "code sweeps" should be comprehensive education and sharing of options for assistance to residents to give ample opportunity for repairs to be made. Further, targeting should be strategic to focus on properties where negligence is overt and repeated, taxes are not being paid, and/ or, for example, are owned by out-of-town landlords whose rental properties are consistently cited for infractions.

<u>Erie Refocused</u> speaks to smart code sweeps targeting in stating, "In Erie, as in most cities, traditional practice has been to target code enforcement activities in areas where blight is most concentrated. But when distress becomes as widespread as it has in Erie – and when code enforcement resources are limited – the focus must turn to transitional and stable neighborhoods in which halting the spread of distress will protect and maintain areas that are critical to the city's marketability and financial stability. With this in mind, the city should initiate code enforcement sweeps in stable and transitional areas that abut more distressed areas, and ensure that residents are aware of their role as partners in code enforcement."

- Community Development Corporations

Community organizations are frontline partners in addressing livability. Staff and volunteers know their neighborhoods intimately. The city should seek to provide resources to the neighborhood organizations to enlist them as allies to the Code Enforcement program. This should include financial assistance for community organizations to hire non-official code officers (better called Neighborhood stewards) who identify code-type concerns, approach property owners, and offer assistance to these neighbors (including loans and low-cost workers for façade repairs, clean-up, etc.). There could also be outreach provided with regard to sources of other forms of assistance – financial and human service, for example. A good start is recent funding acquired by Our West Bayfront and B.E.S.T. to jointly hire a neighborhood asset manager whose role in part will be to serve as a resource to residents in need of assistance relative to property upkeep. Additional funding could perhaps come via the Community Development Block Grant funding now not being used to pay for code enforcement officers (discussed above).

Funding could perhaps also be used to engage community organizations to informally address citizen concerns for nuisance backyard burning or cars parked blocking the sidewalk. Enforcement by the city of both after hours and on weekends (when most infractions tend to occur) requires an undue heavy hand as fire inspectors and the parking authority patrol are not available other than during regular weekday work hours.

- Housing Court

Erie has <u>five magisterial district courts</u>, each of which are assigned code violation proceedings when disputes arise. This splintered approach risks lending to differing interpretations, priorities, and judgments among the magistrates who otherwise are very busy with a great number of court proceedings of many types. Acknowledging this structural deficiency in the code enforcement system, many *planning processes have recommended that Erie establish a dedicated Housing Court.

*Housing Court recommendations have been made by:

- October 2008 Erie County Housing Plan
- March 2012 Strategic Assessment of Blight in Erie County, PA
- March 2015 Destination Erie: A Regional Vision
- March 2016 Erie Refocused
- 2016 A Citizen's Action Guide to Blight: A Report by the Erie County Civic Leadership Academy
- January 2020 Activating Our Vision A Path to Success, City of Erie
- <u>December 2021 Emerge 2040</u>

Deemed vital to effective code enforcement, the purpose of a Housing Court is to facilitate a prioritized and standardized process that is efficient and consistent in the enforcement of housing codes. One community leader interviewed for this report noted that leniency at the hands of magistrates regarding code violations amounts to the city "using charity in place of public policy" for one of the most basic tools for impacting neighborhood quality of life. That argument contends that the hard work of code enforcement officers is discounted by inconsistent follow through at the hands of the courts and exacts a defeating blow on morale and incentive of city code personnel who come to work each day to perform a difficult job.

Given the high stakes of code enforcement to maintaining quality of neighborhood life, Erie is overdue to implement a housing court that devotes exclusive attention to cases involving substandard housing and abandoned buildings. In establishing a Housing Court, the system must be committed to working with owners to solve code violations before imposing a fine. Use of ARPA funds to establish the housing court would be most appropriate as it would be a one-time, long-term, systems-changing cost. Nearby examples ripe to be examined for best practices include housing courts in <u>Buffalo</u>, <u>Cleveland</u>, and <u>Allegheny County</u>.

- Quality of Life Ticketing

Erie's <u>Quality of Life Ticketing</u> program was introduced with fanfare in 2018. In practice, it has run into hindrances that are deserving of review. The program will benefit from fresh assessment with particular attention to voluminous paperwork involved, expeditious collections in step with possibly a high rate of non-payment of fines, and clear guidance on differentiating between when to utilize code enforcement vs. ticketing in order to avoid redundancy.

As presented in <u>Blight to Bright</u> by the Housing Alliance of Pennsylvania, municipalities that have property maintenance codes may issue tickets and fines for immediate payment – similar to a parking ticket – when code violations are visible on the exterior of a private property. Typical quality-of-life ticket violations include trash and litter on the property, abandoned vehicles or appliances, or high grass and weeds. Erie's ordinance acknowledges that these problems degrade the physical appearance of the city, which reduces business and tax revenue, inhibiting economic development and that the quality of life and community pride of the residents of Erie are negatively impacted by the occurrences and existence of these activities.

As further summarized in "Blight to Bright," to issue these tickets, inspectors should be cross-trained to handle any type of eyesore complaint as they "sweep" blocks, commercial corridors, or neighborhoods, and give tickets to owners who have property maintenance code violations. When code inspectors find a private property violation, they issue a violation notice to the property owner, along with a deadline for corrective action. Rather than citations that are enforceable by the courts and require a hearing, the violations are treated like parking tickets. Fines and actions to correct the violations are due immediately. Code officials or police officers typically issue a ticket with a \$25 fine for a first offense. The severity of the fine rises with subsequent offenses, such as \$50, \$100, \$300. Violators have a week to 10 days to pay. Quality-of-life tickets have a very high response rate. When the owner refuses to fix the condition or pay the fine, however, a citation is issued and the matter lands in court.

In re-evaluating the program, Erie should, as noted above, continue to deploy ticketing only after education and courtesy pre-violation assessments have been conducted and discussed with residents. In this way, residents and property owners have fair warning that a ticket will follow inaction. Another area of concern to be ironed out is to whom the ticket is issued. For example, there needs to be clear guidelines for under what conditions tickets are issued to property owners vs. residents.

As hedged above, a central intention of quality-of-life ticketing is to sidestep the cumbersome process in magisterial courts where code violations often end up being adjudicated. Code enforcement officers can only issue citations. Fines are the jurisdiction of the magistrates. "Blight to Bright" notes that a quality-of-life ticketing ordinance is designed to streamline the process of punishing violators of nuisance ordinances, freeing up both the magisterial court system and municipal code officials—along with ensuring that revenue from fines goes to local government. The ordinance also makes the process quicker and less expensive for those affected.

- Disorderly/Nuisance House Ordinance

Erie should research other cities' Nuisance House Ordinances in comparison to the <u>Disorderly House Visitors</u> ordinance that Erie uses. The Erie ordinance focuses on people who are "knowingly present and/or participating in an ill governed or disorderly house or place where gambling or drinking is occurring." This broad definition on one hand gives regulatory authorities wide discretion in interpretating what constitutes a disorderly place. On the other hand, the ambiguity may dissuade authorities from taking action due to lack of clear guidelines. Also, the onus is put on people other than the property owner who may well be responsible for perpetuating a disorderly/nuisance situation. Review should consider the merits of providing definition of a range of persistent candidate nuisances that occur (as well as the number of incidences that would trigger enforcement) and would delineate a given place as a disorderly house, such as code violations, noise, domestic altercations, drug dealing and overdoses, prostitution, and emergency visits to the house by police and other emergency services that are in response to disorderly conduct, etc.

Lack of such prescription in the ordinance may well hinder ability to expeditiously remediate problem properties whose persistent disruptions to the surrounding community evade resolution. An expanded ordinance stands to both fill a gap in available strategies to maintain quality of life and also clarify any existing vagaries among Erie's housing-related agencies and the public with regard to how and when a property is determined to be disorderly and thus brought into compliance. <u>News stories this Summer</u> revealing the years of trying to bring a specific city property into code compliance may be illustrative.

As example, such an ordinance was recently adopted by <u>Sharpsville, PA</u> (80 miles south of Erie) defining a disorderly house or property as any house, place of business, apartment, residential property, vacant lot, or any commercial property of any kind, including rental properties where activities such as fighting, obscene behavior, or illegal use of drugs, among other things, occur. The ordinance is to be invoked in cases in which property owners were involved in multiple incidents and attempts to work with the property owners and intervention agencies have been unsuccessful.

As discussed in an <u>article by the ACLU</u>, care must be taken to craft an ordinance that does not disproportionately impact and be disparately enforced against communities of color and persons with mental disabilities. The ordinance should also ensure that remedial actions are taken such that punitive measures are a last resort. Other examples of this policy include: <u>Slippery Rock</u> 1980, <u>Millcreek Township</u> 2013, and <u>Ellwood City</u> adopted its disorderly house ordinance this past May.

B. Rental Registry

With rental properties composing nearly half (and growing) of all housing units in the city, it is fortunate that Erie has an in-house program in place to require rental registrations. Per the program, landlords are required to register their units every year at a cost of \$40 per unit (roughly 14,000 units get registered per year). While there is room for improvement, the system's very existence can't be taken for granted. By comparison, due to more than a decade of strong lobby resistance by landlords and their professional associations, Pittsburgh is once again at the cusp of implementing its first rental property registry while the legal wrangling continues.

Given that Erie's <u>Land Lord and Rental Registration</u> <u>Ordinance</u> was adopted more than 15 years ago (2006), a thorough review of best practice among cities and of fee levels is warranted (note the fees were updated in 2018). The following are items for particular attention toward ensuring the rental registration program is highly effective:

Rental Registry Recommendations:

- Uniformity

People interviewed for this report consistently flag the practice of too many private landlords who flagrantly neglect to register their rental properties with the city. This denies the city needed revenue to sustain the program. Not registering a rental property also enables a landlord to escape inspection. The city has assigned

Erie ARTICLE 330 Landlord and Rental

The purpose shall be to protect and promote the public health, safety and welfare of its citizens, to establish rights and obligations of owners and occupants relating to residential rental units in the City and to encourage owners and occupants to maintain and improve the quality of rental housing within the community. As a means to these ends, this article provides for a systematic inspection program, registration and licensing of residential rental units, and penalties.

In considering the adoption of this article, the City makes the following findings:

- There is a growing concern in the community with the general decline in the physical condition of residential rental units;

- City records indicate there is a greater incidence of problems with the maintenance and upkeep of residential properties, which are not owner occupied as compared to those that are owner occupied;

- City records indicate there are a greater number of disturbances at residential rental units than all other properties combined; and

- City records indicate that violations of the various codes are generally less severe at owner-occupied units as compared to residential rental units.

one code enforcement officer to focus exclusively on enforcement of rental property licensing and registration. Assessment should be further made to ensure sufficient resources are devoted to the tedious work of proactively searching for scofflaw properties to ensure all eligible rental units are registered and licensed.

Given the urgency of Erie's blight crisis, council must take whatever steps are necessary to determine if all eligible rental properties are registered, if they were inspected as required and what the results of those inspections were. If problems were found, how were they addressed? Were they turned over to the city's code enforcement office? If so, what action was taken?

Editorial Board, GoErie March 2017

- Disclosure

Increase the relevant data that is to be collected in the rental registry/license process. For example, unlike nearby <u>Lawrence Park</u>, Erie's rental registry does not require: information on whether units are occupied or unoccupied and a list of all dwelling units and business units owned, operated or controlled by the landlord and located within the community. Furthermore, the registry should require identification of a local managing representative who resides in the county, if the owner lives out of the county.

Following the practice of other jurisdictions (such as Philadelphia, Minneapolis, and New York) the rental registry database could be made available (up-to-date data) to the public online. Further, the publicly accessible registry should be searchable by property owner name in order to make it easy to identify all rental properties in the city owned by a given landlord. In this way, the public may identify: who owns a particular rental property, owner occupied vs. not, who is the local representative if the owner lives out of town, contact information, rate of evictions, etc. This data is important for use by advocates and pro-housing policy makers focused on housing equity from a tenant's perspective and also from the standpoint of equity among small, local landlords of color who share in the city's rental property ownership business. A further step for consideration is listing the properties (<u>Chicago Building Code Scofflaw List</u> for example) having the most code violations, late taxes, vacant properties, etc., both rental and non-rental.

C. Rental Inspections

The city's rental property inspection program serves to ensure buildings are safe and to hold landlords accountable for the condition of their properties. Like with rental registry, Erie is fortunate to have had a rental inspection program since 2006. Again, note that Pittsburgh is just now implementing theirs.

"Fragmented" is an apt way to describe the way rental properties are tracked and managed, however. Whereas rental registry is handled in-house by the city, the rental inspection program is outsourced via contract to a private company called Building Inspections Underwriters (BIU). BIU is to inspect units every two years. (If a unit passes two inspections, then it is inspected every four years.) <u>The company receives</u> \$50 of the \$80 per-unit fees collected (inspection fee collections is handled by the city) for those inspections.

Outsourcing of building inspections creates a system whose moving parts need to be better coordinated and synchronized. Examples of system fragmentation:

- Enforcement

While the city internally handles rental/landlord property registrations and collects fees, the city outsources to BIU for inspections. But BIU cannot enforce the code violations they issue as BUI is only an inspection agency. In the case of an infraction, BIU is to notify the code enforcement officer in charge of the given neighborhood for follow-up enforcement action relative to Unified Construction Code issues in question.

As city officials consider how the system might be changed, some policymakers worry that more rigorous enforcement of rental housing standards might place a financial burden on landlords who have taken an economic hit during the pandemic. And that enforcement in turn could result in higher rents and perhaps even displacement of some low-income tenants. Despite acknowledging these concerns, tenant advocates say that failing to enforce basic rental housing standards for all properties perpetuates a dual and inequitable housing market, with one set of standards for households with low incomes and another for everyone else.

<u>Rental Code Enforcement in</u> <u>Philadelphia - How it works, and</u> <u>what other cities are doing</u>

- Narrow Focus

BIU's inspections are weighted to priorities largely of fire and safety as opposed to the comprehensive quality of life values reflected in the work of city code enforcement officers. As compared to city code enforcement personnel, BIU inspectors being of a private company independent from the city government would naturally not be expected to necessarily hold nor be held accountable to a public sector/service culture and are likely compensated on a per inspection basis.

- Conflicting Inspections

Identified as an example of a system in need of streamlining are instances where city code enforcement deems an overall dwelling structure to be out of compliance but at the same time, on the other inspection hand, its rental units within pass BIU's inspection. Whereas, <u>the city landlord</u> <u>registration ordinance</u> states, "When a person obtains a license shall be revoked and occupancy in the unit shall not exceed 120 days from the date of revocation." This, however, is not often enforced as the city does not pull certificates of occupancy, which would amount to condemning a property. Such would be punitive to tenants when landlords are the delinquent parties. Such enforcement would also be politically contentious.

- Public Housing Exemption

Properties owned and rented by the Housing Authority of the City of Erie

are exempt from the city's property registry and inspection programs. In the case of HACE, per federal guidelines, HACE conducts those services itself with annual housing inspections conducted both by HACE personnel and also via independent third parties thus ensuring thorough and warranted redundancy. Integration of management, registry, inspection, and provision of services makes for an effective housing program for the 1,847 public housing units owned and managed by HACE. In this way, problems are quickly addressed from a public housing program service ethic. Inspection data on HACE properties is not shared with the city.

The rental units of Section 8 subsidized tenants (as approved by HACE) are also exempt from the city's outsourced inspection program (but not from rental registry). These units, some 800 of which are located in privately managed houses (often with multiple units) found throughout the city, receive annual inspection by HACE employees. The inspection data is not shared with the city. Like is the case with HACE-owned and managed properties, complaints by tenants or neighbors regarding privately owned units occupied by Section 8 subsidy recipients are of concern

to HACE and addressed expeditiously. Given that the existence of Section 8 tenants is appropriately confidential, neighbors typically do not know of HACE's involvement and subsequently don't inform HACE of concerns arising from these rental units.

- Scofflaw Landlords

There is a perception in the community that too many landlords do not address inspection violations for which they are cited or worse (as noted above) intentionally don't register their rental properties to begin with. Such assures no inspections of their rental units.

- Financial Slippage

The city collects inspection fees and billing for delinquent fees. In recent years, the performance of the rental inspection program has been called into question by City Council in response to independent audit showing that the program is a money loser. For example, in September 2018, according to Erie Times-News, Paul Lichtenwalter, the city's finance director, said much of the \$300,000-plus loss over the life of the problem is due to delinquent rental unit fees (including unit inspection and registration fees) that some landlords (hundreds) have not paid. The city has not been bullish in pursuit of liens or district court remedies regarding past-due rental inspection fees, according to 2018 GoErie news.

Methods Landlords Use to Avoid the Rules

How do landlords get around laws requiring rental units to be safe and habitable? An owner of 22 Philadelphia rental properties spoke with Pew on condition of anonymity and described tactics that he and other landlords have employed.

- Staying under the radar: Landlords can do this by not paying city taxes, not obtaining a rental license, and not accepting federal housing choice vouchers.

- Keeping down costs without tenants filing complaints: Landlords might decide to do shoddy work or none at all on items such as chipped paint, ripped carpeting, holes in the walls, and other problems that don't threaten the property's long-term viability.

- Avoiding Licensing & Inspections (L&I): Sometimes, landlords instruct tenants not to file complaints about housing conditions and not to allow L&I to enter their properties.

- Getting tenants out without formal evictions: If landlords don't have a rental license, they can't go to court to request an eviction. Instead, they might cut off a unit's utilities or remove its windows.

<u>Rental Code Enforcement in Philadelphia - How it</u> works, and what other cities are doing During a Thursday evening study session with City Council members, Shawn Emerson, a certified public accountant at McGill Power Bell and a partner in the auditing firm, said the city should make a number of changes to better track the financial performance and efficiency of the rental inspection program."... One of those McGill Power Bell recommendations: the city should review delinquent per-unit fees from landlords on a regular basis. The auditing firm also suggests a more detailed tracking of financial data related to the program and frequent meetings between city officials to monitor the rental inspection program's overall performance.

Landlords owe city nearly \$230,000

Rental Inspections Recommendations:

- Evaluate Handling Rental Property Inspections In-house

The pros and cons of the city's present practice of outsourcing rental inspections should be evaluated with an eye toward increased efficiencies in which property registry and inspections are handled by the same city department and in close coordination with city code enforcement. Part of the analysis should include running the numbers on how far revenue generated through the inspection program would support hiring of additional personnel needed to conduct the inspections and administer the program as compared to outsourcing. It is noted that <u>Allentown</u> has 14 housing inspectors charged with enforcing the city's rental housing quality control program. Allentown's population is 121,157 with an estimated 28,000 rental units vs. Erie's population of 93,138 and approximately 21,531 rental units.

The present outsourcing of rental unit inspections to BIU by the city is primarily motivated by cost savings. In many cases, it is less expensive to contract an independent business than for the city to hire more union employees whose compensation and benefits are usually greater than private sector employees. The cost savings of outsourcing, however, needs to be re-evaluated against the aforementioned revenue slippage and inefficiencies inherent in the fragmented management of core functions of registry, inspections, and code enforcement as material to the city's livability and, thus, prosperity.

If Erie is to continue to outsource rental inspections, then data systems need to be in place to ensure a high level of working hand-in-hand with city code enforcement and city fee collections. That is a difficult challenge. Also, Erie should consider requiring landlords/property owners to bear the cost themselves by having to contract third-party inspectors. This is the approach in Baltimore, Detroit, and Philadelphia, according to a recent <u>Pew study</u>.

D. Social/Human Services

Often the occurrence of blight or unrest at a property, be it rental or an owner-occupied residence, is an expression or symptom of deeper human concerns. Poor property conditions and behaviors contrary to expectations of the neighborhood can be manifestations of poverty, trauma, ill-physical, or mental health, etc., deserving of empathy of neighbors and support services by professionals in the social and human services field.

In this way, it is imperative that the systems in place to flag and respond to orderliness of properties and residents' comportment be coordinated with social service providers.

Social/Human Services Recommendations:

- Housing Authority Model

The case for and how to integrate social services is well-exemplified by Erie's public housing providers. For example, the Housing Authority of the City of Erie (HACE) devotes significant resources to addressing the human needs of its residents. HACE properties have the benefit of dedicated personnel (multiple caseworkers, six police, two probation officers, a domestic violence counselor, and a dental clinic for example) who follow up on issues that arise. This and thorough maintenance/repair oversight (landscaping, snow removal, provision of trash bins, etc.) places public housing owned and operated by HACE as a boon to neighborhoods since HACE units are often better maintained and have better security and support programs for residents compared to privately operated rental units.

Of particular note, HACE's <u>Public Housing Family Self-Sufficiency Program</u> provides HACE caseworkers to help families access social services, implement self-sufficiency plans, develop a budget, and set savings goals. The program is also eligible to Section 8 subsidy recipients (administered by HACE) toward aiding them to increase earned income and reduce dependency on welfare assistance and rental subsidies. For Section 8 rental residents this means no cost access for five years to professionals who help coordinate services related to: childcare, transportation, education, job training, employment counseling, financial literacy, homeownership counseling, and more.

Housing provider, Housing and Neighborhood Services (H.A.N.D.S.) also illustrates the need and benefits of model coordinated support services to tenants. Through <u>Resident Resource Coordinators</u>, H.A.N.D.S. assists residents in connecting to and obtaining available community-based services. The coordinators are advocates, educators, referral agents, advisors, motivators, etc.

In step with the city's language (cited above) found in the <u>Landlord and Rental Registry and Inspection</u> ordinance that identifies rental properties as having a greater incidence of maintenance and upkeep violations and also disturbances, public housing's attentiveness to the social needs of residents is instructive of the need for enhanced systems of coordination of supports among all renters in Erie.

A program like HACE's Public Housing Family Self-Sufficiency Program and the support program of H.A.N.D.S. should be reviewed and scaled for eligibility for all renters. To leverage impact, it is important to educate all landlords about such programs so they can encourage their tenants to enroll. On the other side of the path to impact, renters should then be both educated about these support programs and informed that if they enroll, their chances of being accepted as a tenant will be improved as landlords would come to favor those tenants who are committed to the mutually beneficial goals of accessing social services for self-sufficiency.

- Erie Police Department

Following the broken-windows theory, neighborhood and street level maladies of seemingly innocuous types often are precursors to escalation of problems leading to crime and thus police getting involved. In this way, law enforcement is part and parcel to the many systems that both strive to head off community decline and correct abuses after they have occurred. Policing, particularly excellence in deploying the community policing model, is essential to maintain neighborhood safety and thus a sense of security among residents.

Presently, the <u>staffing level of the Erie Police Department (EPD)</u> is a heated topic of public debate. The key issues driving the policy debate include:

- Gun related crime has increased markedly in the city in step with the hardships of COVID-19.
- The age of offenders is decreasing now at ages 12 to 17 particularly in juvenile-gun crime and during the summer months.

• EPD maintains it has had to respond to increasing levels of community unrest with the same number of officers over the past 15 years. The extensive use of overtime hours by officers evidences the strain on personnel.

• In 2021, city council approved use of federal American Rescue Plan monies allocated to the city to hire 21 additional officers. The plan was to reinstate both a nine-officer Family Crisis Unit (existed from 1972-2005 then disbanded in 2005 due to budget issues) and a 24/7, two-officer "crisis car." EPD sought to bring back this unit staffed with two officers for all shifts every day of the week. The plan similarly included reinstatement of a special Juvenile Crime Unit (also disbanded in 2005). Combined, the plan was to address need for better addressing people with mental health issues, domestic violence, and youth violence.

• The 2022 city council, comprised of new members, has leveled staffing restrictions that jeopardize the overall increased staffing plan. Concerns focus on availability of future funding and ideas for alternate means to address root causes of crime.

At this juncture, given the high stakes for community safety for all residents and in light of the dramatically changing role and environment of policing, the city would benefit greatly from an outside assessment of its law enforcement system. Independent, fact and best practice-based analysis by a nationally-credible policing consultancy will bring the needed expertise to ensure EPD and city leaders make optimum policy and fiscal decisions. There are many such consulting firms. A good resources include:

- The International City/County Management Association (ICMA) Center for Public Safety Management (ICMA/CPSM)

- Police Executive Research Forum (PERF)

- The International Association of Chiefs of Police (IACP)

E. Pro-housing Coordination

Given the high stakes of housing opportunity to Erie's growth and development, there deserves to be investment to ensure that the interests of mixed-income neighborhoods is expressed in every plan, program, and investment pertaining to Erie's progress. Housing needs a seat at every decision-making table.

Pro-housing Recommendations:

- Pro-housing Organization

Tenants in the city of Erie could benefit from a nonprofit organization dedicated to addressing renters' interests. Such an entity dually should also serve as a pro-housing advocate through coalition-based impact among social and human service providers.

Specific to tenants, services provided by such an entity would range from:

- Engagement: Foster tenant engagement, representation, and participation in housing investments and policy that lifts up rental property tenants' needs, rights, and interests.

- Education: Address how to be better renters, communicating with landlords and neighbors, housing subsidy, finding an apartment, etc.

- Legal guidance and representation: Address lease mechanisms, eviction, discrimination, etc.

<u>See Know Your Rights as a Renter in Pennsylvania by The Housing Equality Center of Pennsylvania</u> - "Welcome kit" guidance on expectations and rules for being a good neighbor.

- Assessment with referral to a wide range of support services
- available, such as rental and utility assistance, establishing credit, food, financial, referrals, case management, and crisis services.

- Renters should also be offered a liaison to the given neighborhood who is available to assist with questions and assimilation to the community.

It is noted that guidance from federal Treasury indicates that American Rescue Plan funds may be used for these sorts of prohousing purposes (see: 2.21 of <u>Coronavirus State and Local Fiscal</u> <u>Recovery Funds Interim Final Rule: Frequently Asked Questions</u> as of January 2022). Additionally, the city of Erie will receive <u>\$2,932,681 HOME-ARP funds</u> authorized by the American Rescue Plan of 2021. These funds may be used to build capacity among organizations that work with tenants in provision of <u>Supportive</u> <u>Services, Homeless Prevention Services, and Housing Counseling</u> in addition to production and preservation of affordable housing. Nonprofit <u>Action Housing</u> created a program called <u>Just Mediation Pittsburgh</u> to help renters and landlords through the mediation process in an effort to reach a compromise that allows renters to stay in their homes, said Jodi Lincoln, Action Housing's development manager. The program has resolved more than 300 cases, helping landlords and tenants "negotiate together and come to a solution that works for everybody," she said.

Affordable housing still a problem for some in Pittsburgh area despite remedy efforts, experts say

- Annual Erie Housing Summit

In addition to assisting tenants, such a pro-housing focused organization would perform a valued service to conduct an annual housing summit. The purpose would be multi-fold to facilitate coordination, information sharing, and seek solutions to Erie's housing needs.

A complementary step would be formalization of the Erie Neighborhood Growth Partnership (ENGP) as independent nonprofit with advocacy capacity. Housing is naturally a chief focus of the organizations at this table.

F. Community Initiatives

Neighborhood organizations, community block initiatives, community centers, etc., are essential to building community. Beyond bricks and mortar development projects, it is at the street level, neighbor-to-neighbor that the social fabric is knit.

Community Initiatives Recommendations:

- Funding

Provide funding to community organizations to build capacity for neighborhood (block-level) events that engage neighbors with one another. For example, the Community Development Block Grant funding not used to pay for code enforcement officers (discussed above) could be used to engage community organizations. Indeed, this was one of the intentions of diverting the code office away from heavy use of CDBG funds.

- Pancake Truck

The city should consider issuing a request for proposals for food truck operators who would be invited to bid on providing free pancakes in neighborhoods. Akin to the initiative noted above, a pancake truck would be sited in a different neighborhood each Saturday of the year. Neighborhood groups would bid on hosting "My dream is that in a month or two thousands of people all across the country are hosting Saturday morning pancake parties for their friends and neighbors," he said. It's community events like this, Kimball says, that can truly bring communities together. "I think it's important because most of our public spaces are dominated by the big arguments over our differences as people," he explained. "And those things are important. But what feels lost and might be equally important is celebrating each other and our commonalities. We need more chances, as people, to root for each other and to believe in each other as humans."

Man's wife said he needs to 'make friends,' so he made pancakes for dozens of neighbors

the truck. Prioritized would be commitment to creative ways to ensure the handing out of free pancakes maximizes chance encounters to enjoin neighbors in meeting one another.

Ethnographic research on mixed-income developments and neighborhoods reveal different, and sometimes conflicting, values among stakeholders over how community space should be used; it also reveals unequal power in the ability to realize these values. Still, the ethnographic insights described here suggest practices that could promote cohesion within mixed-income neighborhoods. Physical integration of subsidized and market-rate housing reduces stigma, the formation of community organizations by trusted local leaders around shared identities and goals may bridge class differences and promote neighborhood stability, and management practice could foster rather than dissuade resident interaction in common spaces. In time, such efforts may help bridge racial, cultural, and class differences and support stable mixed-income communities.

Mixed-Income Community Dynamics: Five Insights From Ethnography

- Name Change

Compel name changes by Neighborhood Block Watches to a name that is more inviting and less punitive in title, such as Neighborhood Block "Care," or "Support," or "Welcome."

- Tenants Initiative

Toward the imperative of building inclusive, mixedneighborhoods, care needs to be taken in Erie's efforts to strengthen the systems and programs reviewed in this report that are designed to enforce and support neighborhood quality of life and order. Policing, code enforcement, rental registry and inspections, etc., will only be successful where they contribute to trust building as opposed to undermining residents' feelings of being welcome in the community. To foster these ends, neighborhood initiatives need to be intentional about engaging tenants, landlords, and homeowners together to become acquainted and surmount race and class-based biases by getting to know one another in working on shared interests of neighborhood quality of life.

G. Inclusionary Zoning

A community's zoning laws for defining land uses has long been a tool used to discriminate. Where, what type, and what kind of housing is allowed by public policy can profoundly hinder or provide fair housing opportunity. Exclusionary zoning is typified at that which specifies single family homes on large lots, mandatory parking requirements, and also prohibitions on multifamily housing. By contrast, by requiring that a minimum percentage of units in a new multifamily housing development be perpetually affordable, the city can ensure that eventual growth will add to integration vs. segregation and concentration of poverty in certain areas of the city.

Inclusionary Zoning Recommendations:

- Benchmark and Write Policy

With a <u>movement underway around the nation</u> to adopt inclusionary zoning policy, now is the time for Erie to commit to evaluation of need and benefit of such zoning reforms. Actually, all municipalities in the larger Erie region should examine their zoning for inclusivity given the regional nature of housing. For example, <u>Minneapolis</u> has ended single-family zoning all together. Now, buildings with up to three units can be built on any residential lot.

More cities are moving to set affordable housing unit minimums on new development and offer density bonuses as ways to promote integrated neighborhoods. As example, on May 2 of this year, <u>Pittsburgh</u> adopted a new <u>inclusionary zoning ordinance</u> that requires 10% of new construction or renovation projects that produce over 20 housing units to remain affordable for qualified, low-income individuals — whether they are for rent or for sale in designated city neighborhoods whose hot housing markets have put housing financially out of reach for many at a time when the need for affordable opportunities are on the rise.

City officials have added a twist to a popular tax incentive program to prod developers to include affordable housing in their building plans. Bethlehem created a special LERTA – Local Economic Revitalization Tax Assistance – for 19 properties in the city's South Side that would give tax breaks to developers of 10 or more dwelling units, whether owner-occupied or rentals. To get the break, developers would have to set aside every 10th unit for persons deemed low, very low or extremely low income, according to the ordinance. Or the developer would pay \$25,000 for every 10th unit with the money going into a special city trust to be used for affordable housing. "It's a small step but it's still a step in the whole umbrella of affordable housing," said Bethlehem Councilmember Grace Crampsie Smith. In adopting the measure, Bethlehem has become the latest municipality to turn to tax incentives and zoning policies to bolster the number of affordable housing units.

Bethlehem dangles tax breaks in special zone to developers who include affordable housing

H. Fight Blight

Erie is working hard to create new tools and capacities to revitalize its neighborhoods. An important relatively new development is the city's Erie Land Bank.

As tracked by <u>GoErie.com</u>, the Erie Land Bank was initiated in 2016 after public enthusiasm prompted city officials to further the potential benefits for nearly three years. It was in November of 2018 when work of the Erie Land Bank ramped up as enabled by a cooperative agreement with the Erie County Land Bank. An infusion of \$414,000 (sourced from the Erie County Gaming evenue Authority) to address 20 properties either through demolition or renovation) was made into the city land bank.

Land banks are public or community-owned entities created to manage, maintain, and repurpose vacant, abandoned, and foreclosed properties. They are important tools for abating blight and returning real estate to productive use. Chief strategies are to seize control of a blighted property and ready it for sale with the intent of redevelopment, or to tear it down and create a green lot in its place.

The pace of impact is dictated by available resources. The Erie Land Bank is presently able to tackle approximately two dozen properties a year (29 properties currently listed for sale and 29 properties comprising its conveyance <u>history</u>). Up against thousands of blighted homes (*as alarmingly recounted here in the data found in Erie Refocused) it has a very long road ahead.

* As stated earlier, 4,700 vacant housing units, 1,900 abandoned housing units, and another 9,500 residential properties showing signs of moderate to severe distress. 45 percent of residential properties are located on or adjacent to blocks where one or more properties are visibly distressed.

To the city's credit, housing matters are a high priority in the plans for use of federal American Rescue Plan funds being provided to Erie. A <u>November 18, 2021 GoErie article</u> provides helpful breakdown of planned allocation within the city of the overall \$76 million ARP allocation. More than \$30 million will be focused on reducing blight, housing rehabilitation, assisting businesses, funding environmental cleanups, and a host of other initiatives. At the time of the article's writing, that \$30 million is organized in two tranches:

A. Approximately \$17 million for:

- \$5 million to provide low-interest loans and grants aimed at redeveloping former industrial sites, including environmental cleanup.

- \$2.15 million to invest in various community assets in underserved neighborhoods.

- \$2 million for a program that will help fund large-scale affordable housing developments. The projects must involve five or more housing units.

- \$2 million to help small businesses negatively affected by the pandemic through debt restructuring assistance.

- \$1 million for a small-business loan/grant program that would assist minority and female-owned businesses

- \$1 million for Culture, Arts Festivals and Events of Erie

- \$1 million to provide low-interest loans and grants to large redevelopment projects aimed at improving Erie's urban core/downtown.

- \$1 million to provide additional capital for two city grant programs: the Flagship Fund, which assists small businesses; and the Commodore Fund, a business development assistance program.

- \$1 million to provide technical support to small businesses.
- \$500,000 for a new program that would provide grants of up to \$5,000 to restaurants and entertainment businesses in the city that lost revenue because of the pandemic.
- \$300,000 for the city's ARP-related administrative costs.

- \$100,000 to support the entrepreneurial KIVA program, a crowd-funded micro-loan program that helps minority, immigrant and female-owned businesses.

B. Just over \$15 million for a number of housing-related programs that the Erie Redevelopment Authority will oversee:

- \$3.2 million for grants aimed at making homes within the city lead safe
- \$3 million for housing rehabilitation loans
- \$2.3 million for new home construction
- \$2.3 million for a rental investment program
- \$1.8 million to acquire blighted properties within city limits
- \$990,000 for homeowner incentive grants
- \$990,000 for grants that will assist homeowners and businesses meet city housing/building
- \$500,000 for loans to minority contractors

Fight Blight Recommendations:

- Funding Erie Land Bank

Now proven in its ability to repurpose the city's most dilapidated properties, the Erie Land Bank should have its resources exponentially increased. According to <u>Bloomberg Cities Network</u>, federal American Rescue Plan monies are eligible for use in the work of land banks provided there is a <u>connection to neighborhood revitalization</u> and affordable housing opportunity. Accordingly, as noted above per the <u>November 18, 2021</u> article, the city is to allocate \$1.8 million (2.4%) of its \$76 million ARP allocation to acquire blighted properties within city limits. At a rough cost of \$20,000 per property for either demolition or renovation, that \$1.8 million will address 90 houses (1.4 percent) of the city's some 6,600 vacant and abandoned housing units. The investment is meaningful but not transformational at large. Not to be discounted however, each property successfully addressed will be transformative through blight reduction on its city block, thus helping better position the given neighborhood for investment.

- Conservatorship

Anti-blight legislation in Pennsylvania includes a tool called Conservatorship. It provides a means to allow for the court-monitored takeover of abandoned buildings by responsible owners. While many nonprofits have used conservatorship responsibly to fight blight, <u>there have been criticisms</u> of cases where some land developers have abused the tool for profit.

In part to address the need for responsible conservators, currently referred to the PA Senate Appropriations Committee is House Bill 2210 that would add a provision to the Abandoned and Blighted Property Conservatorship Act for a land bank to be added to the list of entities that are eligible to petition the court for appointment as conservator. This would expand the means at the disposal of land banks to rehabilitate properties, particularly those that are near other properties a land bank has already secured.

The Erie Land Bank would be well-served to join with the <u>Housing Alliance of Pennsylvania</u> in supporting this legislation and in turn positioning for use of conservatorship as an additional means to expedite the land bank's impact for addressing blight in the city.

- Investor Bulk Purchases of Single-family Homes

At detailed in <u>a recent New Localism article</u>, the pandemic's upset of the housing market has fueled investor bulk purchases of relatively low-priced single-family homes in entire neighborhoods. The article explains, "More to the point, bulk purchases siphon whole neighborhood wealth, exporting wealth out of town, out of state, and even out of country. And there is evidence that many absentee investors are taking unfair advantage of residents and communities, by boosting rents, increasing evictions and failing to maintain homes adequately."

In step with the article's recommendations, Erie should get ahead of the possible onslaught of out-of-town predatory bulk purchases by funding existing nonprofit and quasi-governmental organizations to intervene by making their own bulk purchases of vacant or low-cost homes for renovation and resale as affordable properties before losing housing stock.

- Community Land Trust

As recommended in the <u>2008 Erie County Housing Plan</u>, consideration should be given to development of a community land trust (CLT) as a tool that could be set up to purchase and demolish blighting properties. A number of the city's community development corporations have been studying the CLT model as of late. The 2008 plan states, "Generally a CLT is based on a program of dual-ownership of land and improvements on that land. In its simplest form, a non-profit organization purchases land, retaining all rights to the land itself, but sells any buildings on the land to income-eligible buyers or developers of affordable housing. Buyers sign a long-term (often 99-year) lease. The buyer, within limits, then has the right to sell the building and/or improve it."

I. Data Synchronization & Coordinated Response – Code Enforcement, Police, Fire, EMS, Social and Human Services, etc.

Tying together and optimizing coordination among all the civic systems addressed above for sustaining civility and neighborhood order is the imperative of highly sophisticated information technology.

As of late, the city has made significant advances in the use of information technology. There remain great opportunities and needs for more IT innovations.

An excellent initial advancement is the city's recent deployment of the information technology driven portal called <u>The Citizen Response Center</u> (CRC). CRC, established in 2018, is a central point of contact available to anyone who would like to submit a complaint, concern, compliment, or just has a general question relevant to anything city-related. The CRC holds promise to be expanded to also serve expressly as the entry point for citizen concerns regarding housing issues. Already nearly a quarter of the volume of inquiries to the CRC are channeled to the code enforcement department for attention.

Data Synchronization & Coordinated Response Recommendations:

- Expand Data Sharing and Analytics

At present, the city is working to transition The Citizen Response Center platform to a solution called <u>Citizen</u> <u>Problem Reporter</u> (offered by ESRI/ArcGIS Solutions) which will allow better tracking of non-emergency complaints. This information technology tool helps cities solicit requests from the public, manage the response to each request, solicit feedback from the public after addressing a request, and monitor the resolution of nonemergency requests. It is also geo-referenced so people can see where issues are within the city and if they have already been reported.

Even greater integration of information across city services examined in this report are warranted. There is a need for more encompassing and interconnected communications and data sharing within a single repository/point of contact. Such use of technology is necessary to facilitate coordinated efforts to ascertain trends and needs, problem solve, and provide assistance or intervention where needed.

Overall, there is not a technology problem. The challenge is found in a lack of resources, expertise, and coordination among systems that exist in silos (some data is confidentiality protected thus adding challenges to sharing - albeit not insurmountable).

Enhancements to the evolving systems integration should include:

- Automatic Data Accumulation for Repository:

For example, when a complaint or emergency call is made by a neighbor to and through a central dispatch, the resulting report generated by responders to the situation would be uploaded and in turn populate an internal, central, searchable database that such that the personnel response is geocoded by the location. Similarly, responses to a property by code enforcement, fire, EMS, human/social services, (maybe even constables, parole, federal marshals too) etc. would also be uploaded to the central repository.

- Accessibility to Responders:

With creation of a central database that retains and collates information on public interventions across the range of service providers, per individual properties, then data sharing can be facilitated such that first responders can be

afforded access to critical insights about a given property before they enter it blindly so to speak. Each responding agency should be able to access information on a particular property and quickly ascertain instances, frequency, and severity of recent past incidences. Even insights to presence of COVID-19 or bed bugs can be critical.

- Flagging Needs and Hot Spots:

The central repository of data on occurrences of incidents at properties would have the ability to automatically track when the severity or reoccurrence of a given incident (and/or when a threshold of combined incidents is reached) to warrant automatic flagging to the attention of specific responders and also responsible parties. With appropriate confidentialities built in, responders and responsible parties may include the mix of: police, fire, EMS, human/social services, code enforcement, landlords, housing agencies, community organizations, etc.

One example demonstrating the benefit of such automatic alerts, is in that the Housing Authority of the City of Erie (HACE) and H.A.N.D.S. benefit from knowing each time that emergency responders are called to one of their public housing properties. Additionally, in the case of HACE, automated sharing of information on public service response to Section 8 subsidized rental units (authorized by HACE) that are owned by private landlords, would assist HACE in assessing appropriate ways to come to the aid of these low-income residents and also possibly alerting landlords of their responsibilities in these situations.

Conclusions

While there are many factors central to Erie's prosperity, housing is at the core. Foundational to Maslow's pyramid, affordable and quality housing integrated throughout the city is essential. Erie's prospects for greatness will be beyond reach if there is not ample opportunity for everyone in every city neighborhood to have a roof overhead to proudly call home.

The housing headwinds holding Erie back are monumental. They have been gathering for decades. Concentrated poverty, dilapidated housing stock, and the social and physical infrastructure of neighborliness is frayed. The small things such as litter, crumbling sidewalks, decaying street trees are hardly noticed. Their neglect is eclipsed by the shadows of homes either too decayed or financially out of reach on the blocks of many city neighborhoods. The cost of the slow pace of change is great.

This report has tried to present recommendations on how Erie can bolster the systems at work to sustain order, neighborliness, and thus quality of life shared equitably throughout the city. Neighborliness through appreciation of the mutual enrichment and development momentum that comes from mixed housing in diverse neighborhoods, is facilitated by civic systems such as code enforcement, rental inspections, blight remediation, social services, etc. They lay the welcome mat of housing opportunity.

Exploring the recommendations provided here begin with rejecting Eries status quo – both in current housing and human conditions and in terms of levels of investment in systems in need of reform. Mixing people of all walks of life is the formula for revitalizing mixed neighborhoods through ample supply of

quality and affordable housing opportunity. Erie's biggest challenge may well be to slay acceptance of tired norms, rise above civic numbness to neighborhoods many of which are presently unrecognizable from their original grandeur, and commit to the reality that unless all benefit, none benefit.

Fortunately, Erie has many capable parties with sleeves rolled up working on housing issues. While all labor toward similar ends and with shared values, silos need to be surmounted. The work of better coordination and collaboration is the essence of the recommendation for an annual Erie Housing Summit. Ready-made are the recommendations presented in this report to make up the agenda of Erie's first action-oriented conference. Every agency and organization, from landlords' professional associations, to police, to public housing and human service providers, are needed at the table to work through and implement what is deemed opportune herein and other superior remedies that arise from the wisdom of Erie's housing community.

By establishing quality, affordable housing in each of its neighborhoods, the city of Erie will escape the costly and tragic clutches of concentrated poverty and unleash human potential and investment by households who regain optimism. Neighborhoods will become places of choice for all. Erie will put itself on a path to growth. It will be a player in the competition to retain and attract residents who are needed to support the local economy and bestow enabling tax base for best-in-class city services which in turn create livable neighborhoods supportive of Erie's leading competitive advantage – its diverse people.

End Notes

This report was possible because of the participation of many community leaders who gave their time to be interviewed and to provide data as requested. With confidentiality assured, persons interviewed represented: Erie Police Department, a number of community development corporations, housing developers, landlords, City Planning and Neighborhood Resources, Housing Authority City of Erie, and many additional touchpoints with people involved in Erie's housing systems.

About the Author: Court Gould, who lives in downtown Erie, served 20 years as founding executive director of Sustainable Pittsburgh. He established the organization as a leader in accelerating the policy and practice of sustainable development borrowing from cities around the world regarding local strategies for Smart Growth, Regional Equitable Development, DEI, Transportation for Livable Communities, Energy Visioning and Strategy, Outdoor Recreation, Sustainable Community Development, Blight and Abandonment, Sustainable Business Strategies, and more.

After three years with the Erie Community Foundation as vice president of Community Impact, Gould is a sustainable solutions consultant and certified professional coach. His education includes an M.P.A. from the University of Southern California, and a B.A. in Political Science from Tufts University. He attended the Stanford Graduate School of Business Executive Program for Nonprofit Leaders and earned Professional Coach Certification from Duquesne University.