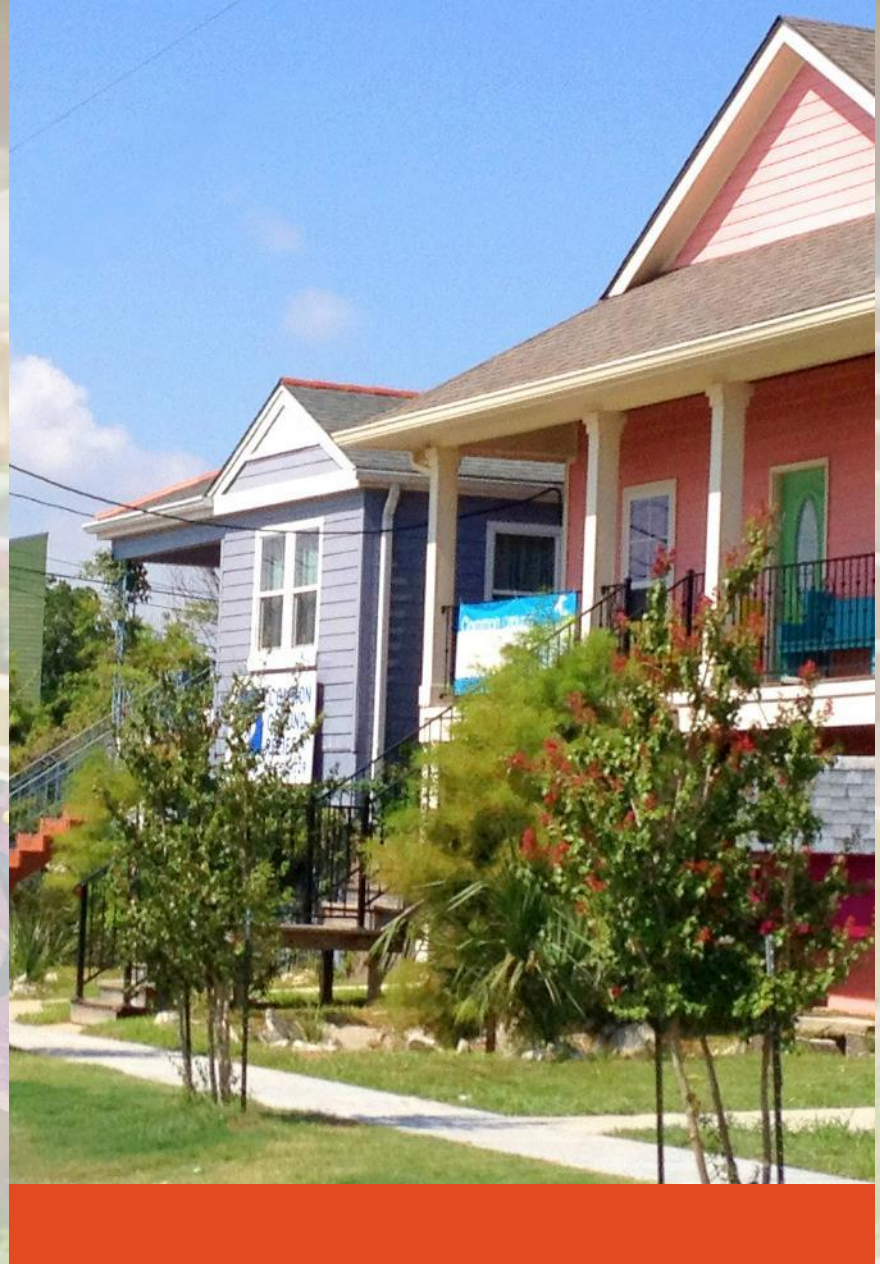




Neighborhood Revitalization

Strategically addressing blight and vacancy through the use of market data



**MML Capital Conference
March 22, 2016**

About us



Center for Community Progress

- We are the only national nonprofit solely focused on building a future in which entrenched, systemic blight and vacancy no longer exist.
- We serve communities through policy development, technical assistance, leadership development, education, and research.
- **National Reclaiming Vacant Properties Conference:** September 28-30, 2016 in Baltimore.
- Place-based approach in Michigan and Louisiana.
- Member of the Michigan Vacant Property Campaign (MVPC)

MI Blight Elimination Guidebook



- Created by the **Michigan Vacant Property Campaign (MVPC)**
- **Online guide for Michigan municipal leaders interested in developing a strategy to more effectively address blight with limited resources.** It outlines the major steps to create a blight elimination plan and centralizes many resources on blight elimination tools, partners, and funding sources.
- Visit www.miblightguidebook.org



Speakers

MARKETS

Payton Heins
Center for
Community
Progress

DETROIT

Robert Linn
Detroit Land Bank
Authority

BATTLE CREEK

Chris Lussier
City of Battle
Creek

Local market



Local market



Local market



Bed: 3

Bath: 3

Sq ft: ~1600

Year: 1941



Bed: 3

Bath: 2

Sq ft: ~1500

Year: 1947



20 min

Local market



Local market



Local market



Local market



+6x

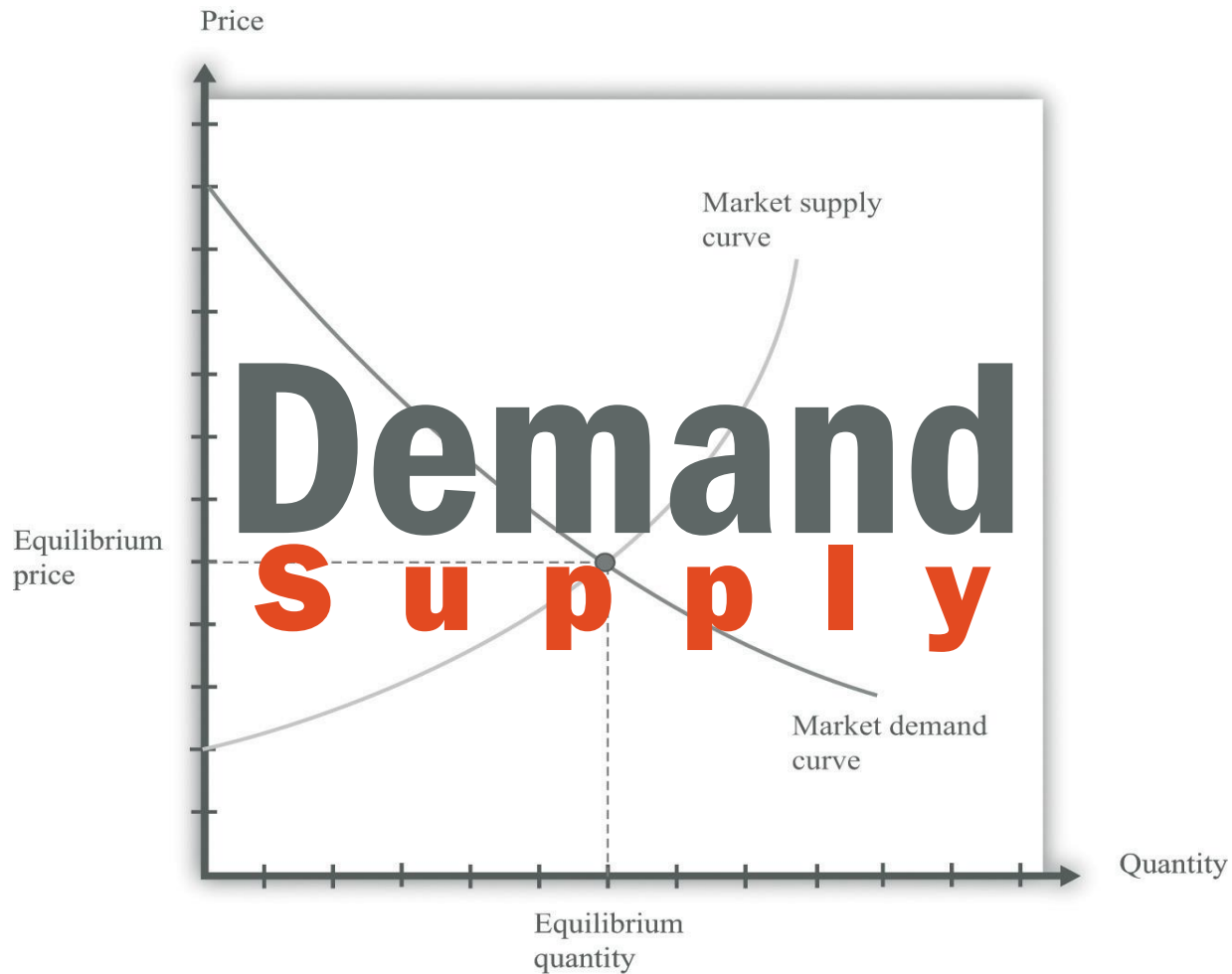
\$419,000

20 min

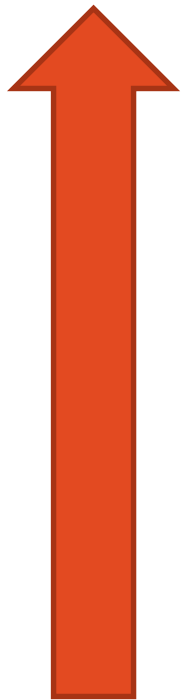


\$70,000

Impacts of demand



As demand increases...



Sales prices

Homeownership

Improvements

Rehab

Infill



Vacancy

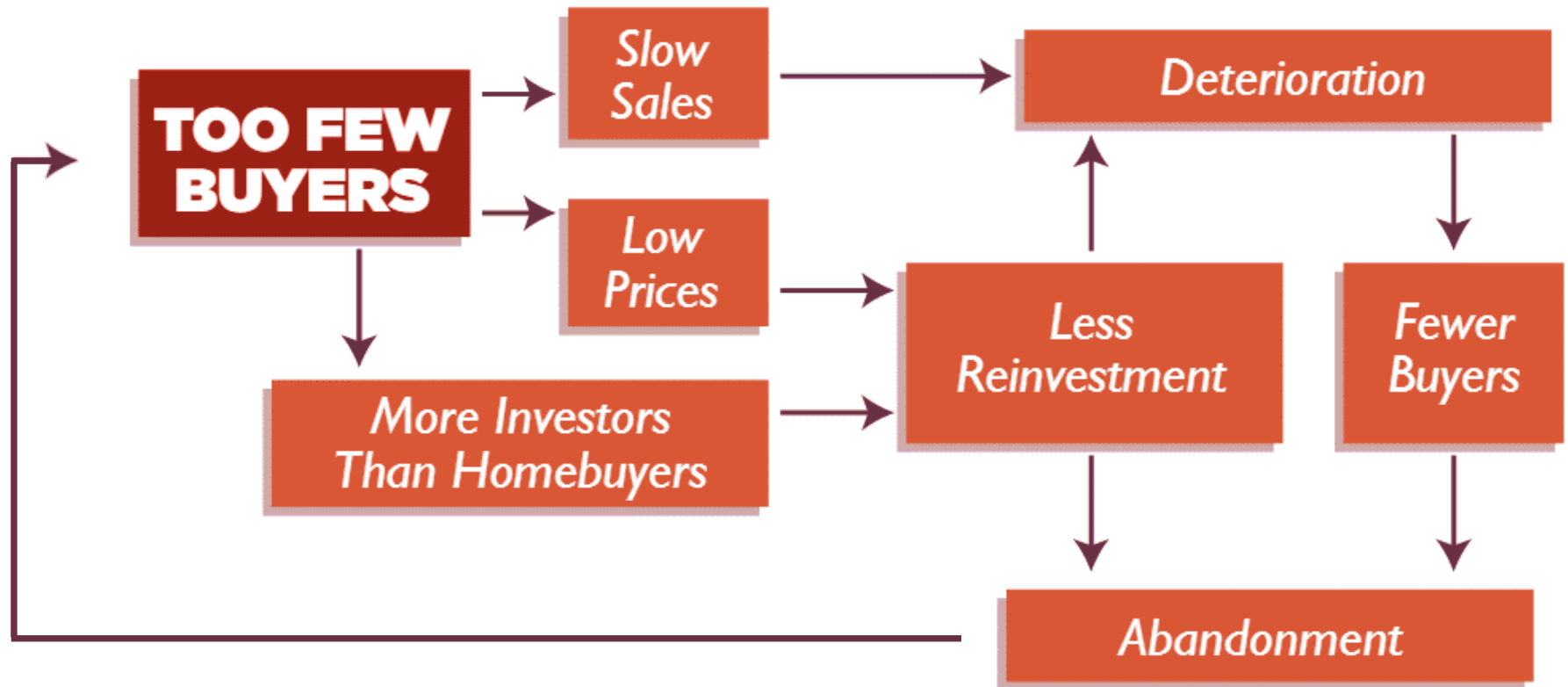
Abandonment

Maintenance

Tax delinquency

Absentee ownership

Vicious Cycle of Low Demand



Local market



Why Markets Matter



Our work



Neighborhood stabilization and revitalization

Remove blight



Remove blight



Remove blight



Remove blight



Remove blight

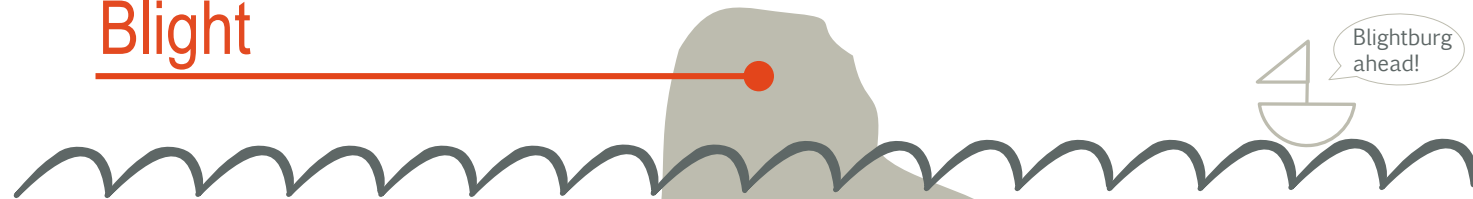


**BLIGHT IS A SYMPTOM
NOT THE UNDERLYING ISSUE**

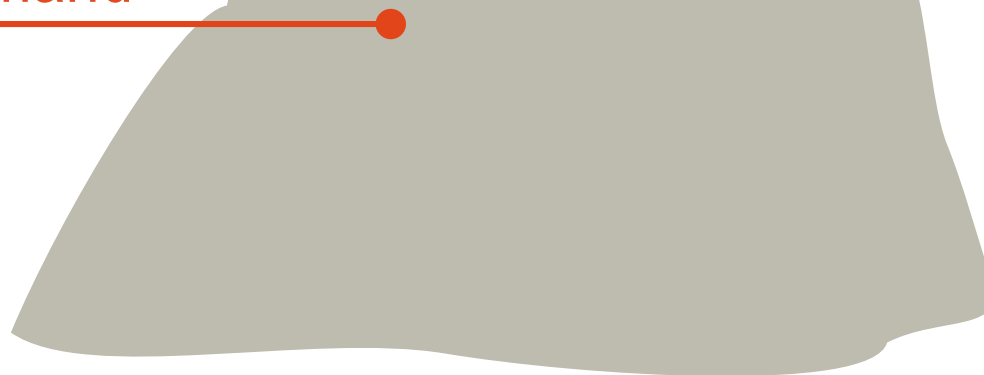


Underlying issue

Blight



Weak Demand



Our work



Neighborhood stabilization and revitalization

Our work



**Understand
markets and be
strategic**

A map showing various colored regions (yellow, orange, green, purple, blue) and numerical labels (8141, 8140, 8041, 8040, 8030, 8029, 8028, 8026, 8139, 8006, 8137, 8025, 8023, 8021, 8017, 8010, 8027.01, 8027.02). The text "Being strategic" is overlaid in the center.

Being strategic



Finding and Understanding the Data

EGG PLANT
\$ 2.00
per lb



Market data ...

Tell us how well the market is working

- Volume – do houses sell?
- Price – what do houses sell for?
- Buyers – who is buying: homeowners or investors?

Describe what affects the market

- Is crime high?
- Are owners current with property taxes?
- Are foreclosures high?
- How many vacant houses are there in the area?

(Some) indicators of decline

- Declining property conditions
- Low rates of home purchase mortgages (more cash sales)
- Declining homeownership
- Low sales prices
- Increased mortgage foreclosures
- Increased tax delinquency / foreclosures
- Utility usage drops / increased vacancy rate



Where can you find the data?



Local data sources – Governmental

Assessment data: vacancy, owner occupancy, owner type, property values, etc

Deeds data: transaction types, transaction volumes, mortgages, foreclosures, sales

Buildings data: dangerous buildings, code violations, rentals, permits

Tax records: delinquency information

Police/Fire data: property crime, arson, hot spots

Other: e.g. water usage

Where can you find the data?



Local data sources – Non Governmental

Private utility data: e.g. gas or electricity shut offs or usage drops

Multiple Listing Service: listing prices, sales types, days on market

Where can you find the data?



National/standardized data sources

The Census <http://factfinder.census.gov/>

American Community Survey <http://factfinder.census.gov/>

Home Mortgage Disclosure Act (HMDA)
<http://www.ffiec.gov/hmdaadwebreport/aggwelcome.aspx>

US Postal Service <https://www.huduser.gov/portal/datasets/usps.html>

On-The-Map <http://onthemap.ces.census.gov/> or PolicyMap www.policymap.com

Urban Institute's List of National Data Sets with Small-Area Data
http://www.neighborhoodindicators.org/sites/default/files/publications/table_natdata_0.xls

Where can you find the data?



Parcel surveys

Data gaps and inaccuracy driving local survey work

Data on vacancy, physical condition, fire damage, etc

Use of smartphones/tablets and GPS-enabled cameras resulting in more efficient surveying (e.g. ESRI's Photo Survey, Local Data's survey app, Loveland Technology's Blexting app)

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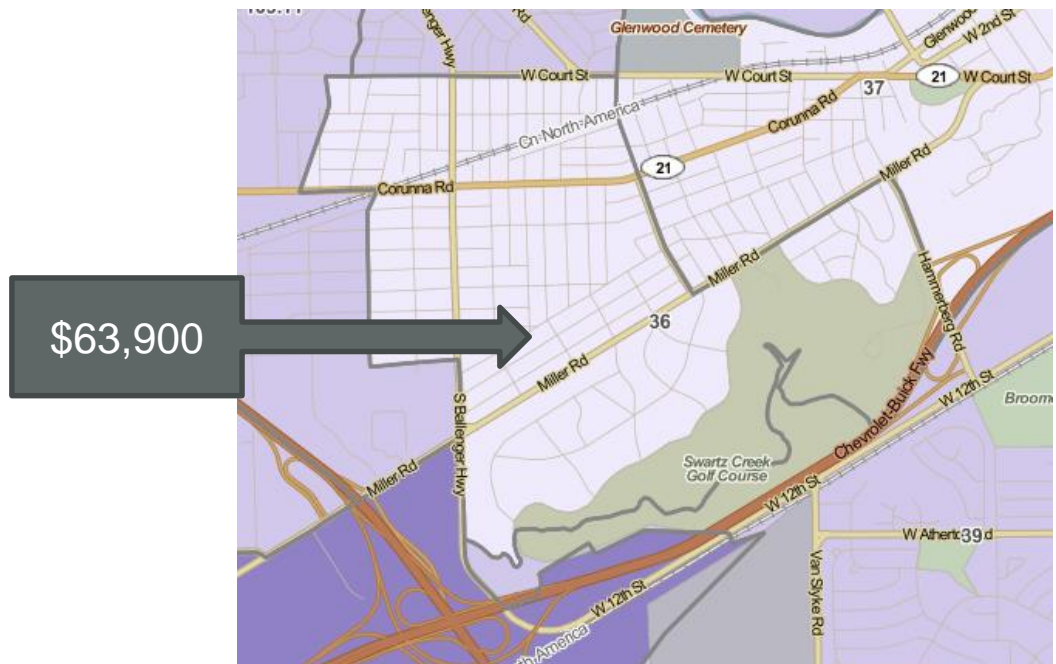


Other considerations

Point source vs. aggregated data

- Aggregated data can mask submarket variation
- Seek data granularity where feasible

Median housing value, census tract

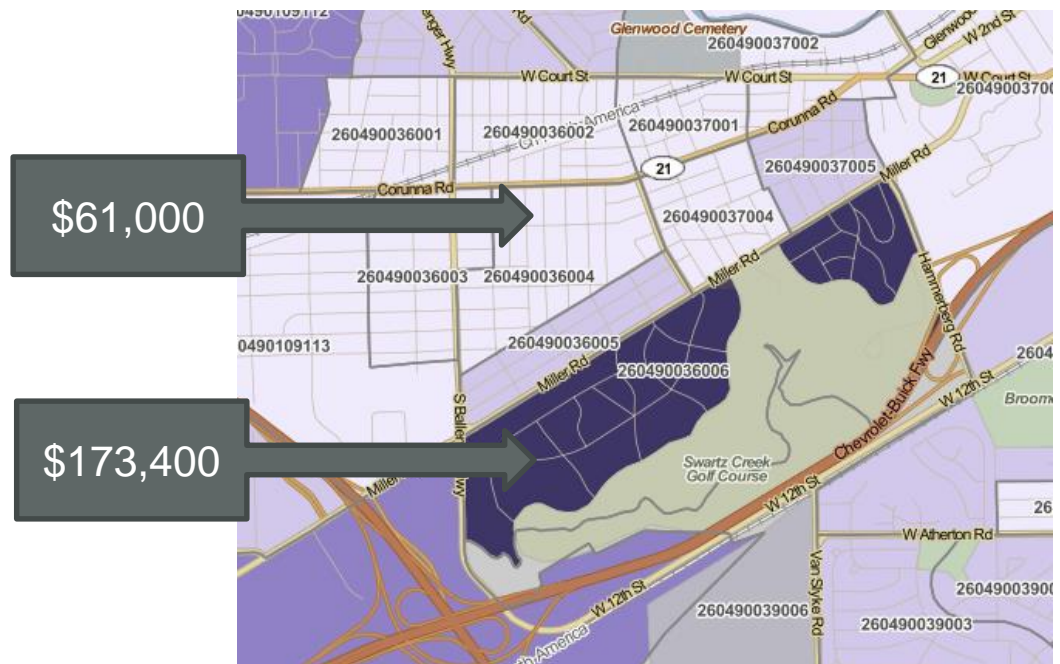


Other considerations

Point source vs. aggregated data

- Aggregated data can mask submarket variation
- Seek data granularity where feasible

Median housing value, block group



Other considerations

Finding assistance

- Look for partners that can provide data, tech services, equipment, or expertise
- Government, academia, and private sector

Do more with less

- Visualization, geocoding and aggregation sites (e.g. Policy Map, batchgeo)
- Volunteer-based efforts

What do you do with the data?

Examine spatial patterns: Where are issues located?

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

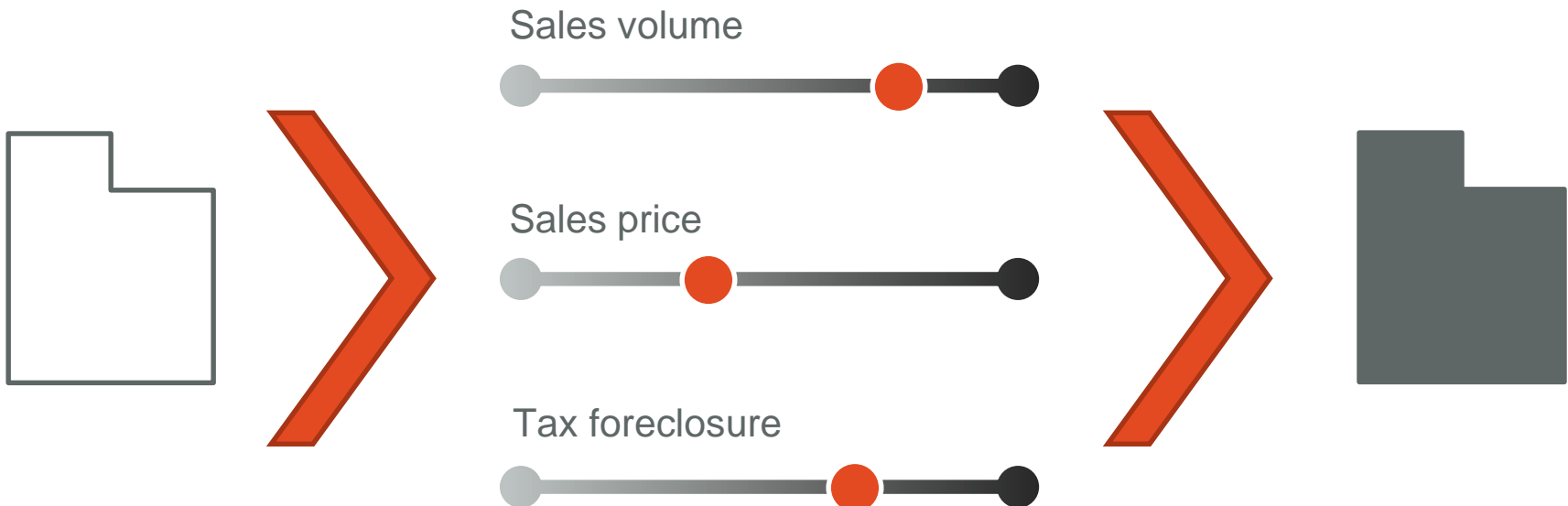
Examine trends: How are things changing over time?

- Are sales and prices increasing or decreasing and at what rate?
- Has the type of ownership changed?
- Are there areas where vacancy has increased or decreased faster than the general rate for the municipality?
- Have property conditions been trending up or down?
- Are there areas where property conditions have steeply declined or improved?

What do you do with the data?

Examine market types: What areas have similarities?

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

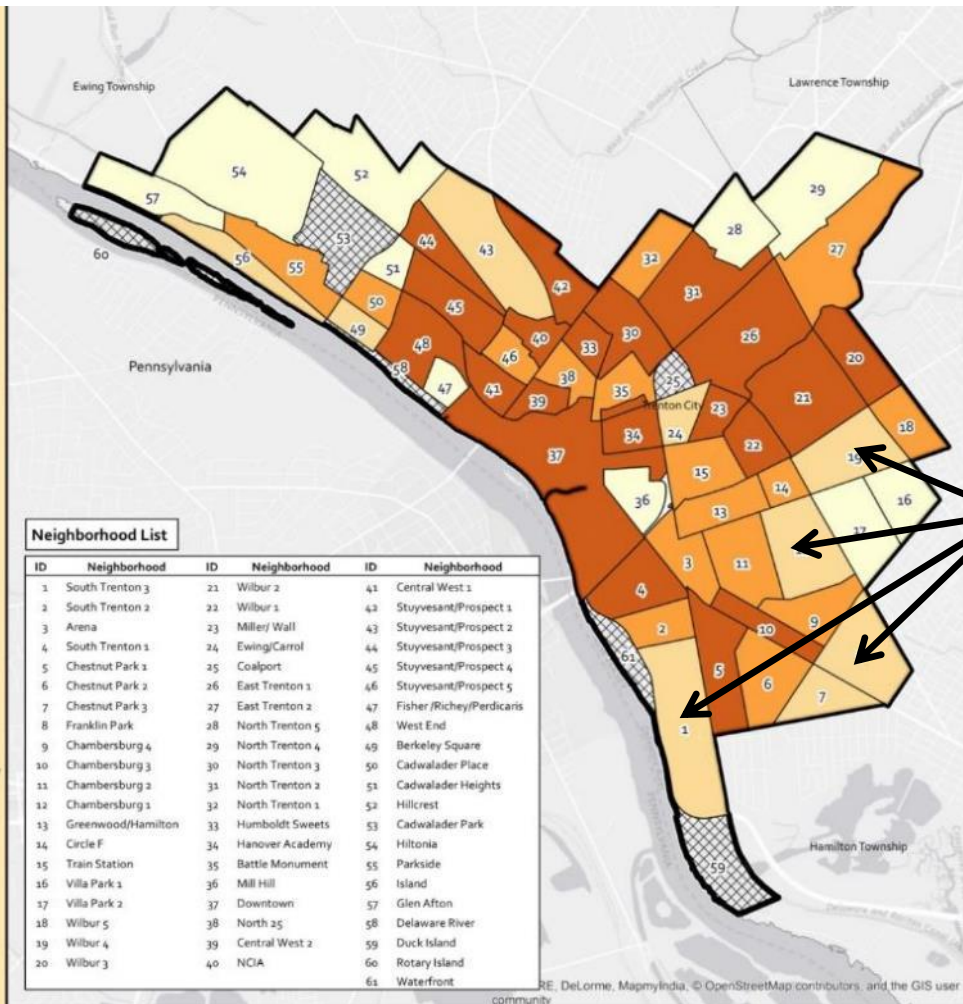


Sample Market Typologies

Trenton Neighborhood Conditions Study

Neighborhood Condition Composite Score Map

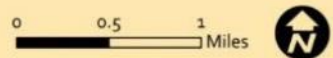
Neighborhood Condition Composite Score



Moderately Strong (class 2) areas

Analysis by:
New Jersey Community Capital, Center for Community Progress, and the Joseph C. Cornwall Center for Metropolitan Studies, Rutgers University-Newark

Map Prepared by:
The Joseph C. Cornwall Center for Metropolitan Studies, Rutgers University-Newark



RE, DeLorme, MapmyIndia, © OpenStreetMap contributors, and the GIS user community

Sample Market Typologies

MODERATELY STRONG	Foreclosure filings	Investor purchases	Low sales prices	Vacant houses	Violent crime	Tax delinquency	Low homeownership rate
Berkeley Square	5			3			
Chambersburg 1	3	4	3		5		4
Chestnut Park 3	3	4	3				
Ewing/Carroll		3				3	3
Franklin Park	3	4	3		3		3
Hillcrest	3						
Island		5	3				
South Trenton 3		5	4				4
Stuyvesant/Prospect 2		4	4		4		
Wilbur 4	3	3	3		4		

A photograph of a market stall with baskets of fresh vegetables. In the foreground, there are baskets of green beans and yellow beans. In the background, there are baskets of eggplants and yellow squash. A sign for eggplants is visible, reading "EGG PLANT \$2.00 per lb".

Applying concepts in two Michigan cities

Detroit and Battle Creek



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