

NUISANCE PROPERTY WORK GROUP

SPRINGFIELD, MO

FINAL REPORT (DRAFT)

**A Joint Initiative from the
Neighborhood Advisory Council (NAC)**

And

Community Partnership of the Ozarks (CPO)

February 23, 2023

Over the past year, a group of 33 individuals from NAC neighborhood associations, CPO, the City, and the private sector have met regularly to assess progress toward mitigating chronic nuisance properties in Springfield. While many properties have been effectively addressed over the years, statistics and anecdotal impressions of many residents indicate the problem continues to grow. The Nuisance Property Work Group believes there is a need to collaboratively chart a new direction. Simply said: we can't expect substantial improvement if we continue to do what we have been doing. These issues are the product of decades of low wages, lack of educational attainment, crime, and other deeply rooted challenges for Springfield and southwest Missouri. This new direction seeks to bring community resources alongside the City as we are all in this together.

FORWARD SGF: NEIGHBORHOOD REVITALIZATION TOP PRIORITY

Springfield's new comprehensive plan creates a long-term vision for the City to implement over the next 20 years. Forward SGF is built off past planning efforts, existing policies that remain relevant, and at its core, community input from a wide-ranging outreach process.

The work of the Nuisance Property Work Group is reinforced by Neighborhood Revitalization and Neighborhood Commercial Hubs and Planning being recognized as two of the Top 10 key initiatives. Three of the major key issues cited in Forward SGF that this report will address were poor condition of housing stock, lack of affordable housing options and a lack of bold leadership.

The exciting work of Forward SGF is predicated on a solid system for rapid nuisance property mitigation being in place. Without this, we believe the Forward SGF goals for high quality of neighborhoods and competitive regional economic development may not be realized. Deteriorating neighborhoods undermine such efforts. No doubt, implementing the recommendations contained herein will require difficult choices to be made in budgeting and staffing – particularly in the near term. If made, however, we believe it will facilitate a transformational improvement for our city in the years to come.

NUISANCE PROPERTIES: BY THE NUMBERS

A total of **17,803 nuisance-related code enforcement cases** were generated in the six years from January 2015 to December 2021. That averages almost 3,000 per year that must be reviewed and addressed by multiple City departments – Building Development Services, Police, Fire, Public Works, Planning, and Citizens Resource Center. Because Springfield is a predominantly complaint-based enforcement system the actual number of violations may be significantly higher than what the data on the complaint-based cases show. To an extent this was confirmed by the number of non-compliant-sourced violations generated during a BDS drive-by inspection of most of the City's residential properties last year.

Lack of confidence among citizens that a complaint will be addressed effectively and in a timely fashion erodes the likelihood that complaint calls are made. This is certainly the case for many residents in our most affected neighborhoods. This low trust may also manifest in lower engagement in public programs and incentives.

Older homes often require more complicated and expensive repairs and maintenance than newer ones. Combining this with high poverty results in a further exacerbated situation: more rapid deterioration with less ability to pay for the fixes. Neighborhoods with some of the highest violation rates also have large numbers of homes built before 1939 – West Central (1,837 homes), Woodland Heights (1,090), Midtown (823) and Grant Beach (771).

Economically distressed neighborhoods often have a high incidence rate of poor performing landlords and tenants. This may help explain why rental properties accounted for 12,683 of the nuisance violation cases – 71%. See Appendix A for more detailed cases by neighborhood.

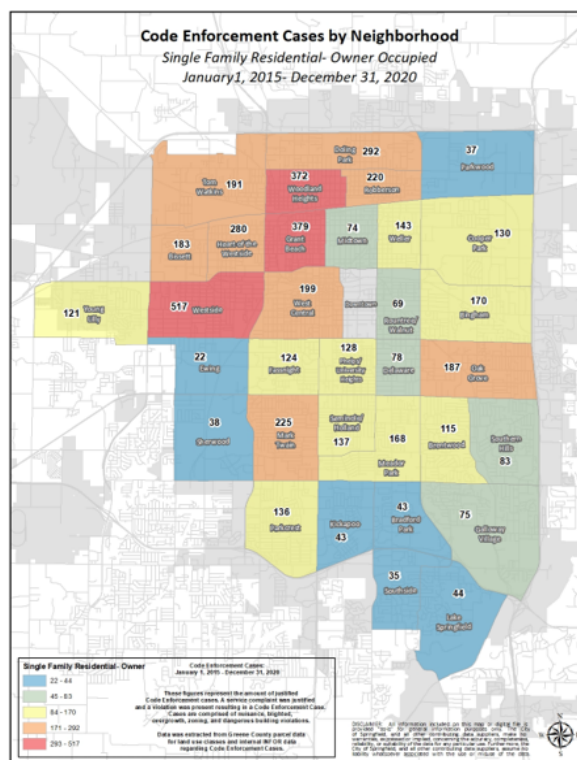
BDS and other City departments have done and continue to work tirelessly to address the nuisance property problem. In many ways, their efforts aim at the symptoms of the problem: the violations themselves. High numbers of violations – whether complained of or not – can overwhelm the capacity of enforcement officials to mitigate in a timely fashion. When this tipping point is reached, then a neighborhood's downward spiral begins. We believe we have reached this point in some of our neighborhoods and perhaps passed it. Looking historically, we also see evidence that this trend is expanding into more neighborhoods.

Code violations can often threaten the health and safety for some of our most vulnerable citizens. As neighborhoods and their residents deteriorate, so do property values resulting in a further downward spiral of more violations, and creation of negative stigma by potential home buyers and property investors.

High rates of complaints and violations siphon scarce City resources across multiple departments. We suggest the solution will require an enforcement staff of sufficient size to meet the violations head on, AND resources devoted to addressing not just the symptoms, but also root causes: disinvestment, poverty, crime, and neighborhood betterment. It is difficult politically to make the tough choices to invest sufficiently to arrest the problem.

Limited progress in dealing with chronic nuisance properties has resulted in recurring speakers at City Council meetings and shared frustrations on both sides of the speaker's podium. Ten of the most recent media stories on chronic nuisances are introduced in Appendix B.

The time has come to more assertively address the chronic nuisance properties that have plagued Springfield for far too long.



CITIZENS COMING TOGETHER

Work Group Co-Chairs

Janet Dankert, Community Partnership of the Ozarks (CPO) CEO
Rusty Worley, Past Neighborhood Advisory Council Chair

Existing Ordinances Subcommittee

Co-Chair – Nancy Williams – Habitat for Humanity/CPO Nuisance Property Subcommittee
Co-Chair – Pete Radecki – Bissett Neighborhood/Past Neighborhood Advisory Council Chair
Ashley Corsolini, Community Partnership of the Ozarks
Melissa Cox, Green Building Certifications, Inc.
Michelle Gipson, At Home Property Management
Chance Parish, Woodland Heights
Isabelle Walker – Board of REALTORS/CPO Housing Collaborative
Marie Wood – Midtown Neighborhood

New Strategies Subcommittee

Chair - Becky Volz - Woodland Heights Neighborhood/NAC Chair
Kathleen Day – Woodland Heights Neighborhood
Jeff Kester - Board of REALTORS
Russ Gosselin – Elevate Lives
Rebecca McCammon – Community Partnership of the Ozarks (Intern)
Lisa Meeks – Brentwood Neighborhood
Misty McIntosh – REALTOR
Rachel Tripp -- Community Partnership of the Ozarks
Brandi VanAntwerp – Foster Adopt Connect

Incentives for Investment Subcommittee

Chair - Brandon Biskup - HDesign/CPO Nuisance Property Subcommittee
LeeAnn Camey - Springfield Community Land Trust/CPO Nuisance Property Subcommittee
Kylee Brown – Legacy Bank & Trust
Andrew Doolittle – Everett Homes
Nancy Evans, Rountree Neighborhood
Ashley Fleming – Community Foundation of the Ozarks
Caron Parnell – West Central Neighborhood
Kelsey Milholland – Habitat for Humanity

ADMINISTRATIVE SUPPORT FROM CITY STAFF

Brendan Griesemer – Planning & Neighborhoods
Alana Owen, Planning & Neighborhoods
Kevin Pierce, Building & Development Services
Brock Rowe, Building & Development Services
Ben Tegeler – Planning & Neighborhoods
Randall Whitman – Planning & Neighborhoods

WORK GROUP RECOMMENDATIONS

1. A New Direction (See Appendix C for More Detailed Information)

Despite efforts by many, chronic nuisance properties continue to plague many of our neighborhoods, and the numbers continue to go up. We cannot expect the situation to change unless we chart a new course. The Nuisance Property Work Group strongly recommends the following actions in order to do just that.

NAC & CPO Support of Top 10 Nuisance Property Neighborhoods

NAC and CPO commit to providing additional support to the top 10 neighborhoods with chronic nuisance properties to engage teams of residents and business owners from multiple perspectives to own their data, prioritize the most significant challenges for the neighborhood, and mobilize community partners to work alongside the City to affect change.

Removing Barriers to Neighborhood Partnerships

The Nuisance Property Work Group asks the City to creatively explore ways to remove current barriers for neighborhoods to become more active in nuisance abatement. This could include allowing Community Partnership of the Ozarks to secure the necessary insurance policies to allow registered neighborhoods to be an alternative to contractors for mowing of overgrown lots for out-of-town owners, the elderly, and disabled. Another example would be to continue to offer Clean Green vouchers to neighborhoods to remove trash and brush from alleys and curbs between annual clean-ups.

Redesigning Neighborhood Teams & Nuisance Abatement

In order to chart a new course, we recommend beginning by objectively evaluating our condition, its trajectory and determining what changes are needed to mitigate the problem. The problem is complex and mitigation touches many of our governmental departments and service organizations. A fresh look from the City Manager's Office internally or a nuisance property residential consultant externally would facilitate reviewing our condition, its extent and how our mitigation approach compares with other communities. Perhaps we need only to increase the number of enforcement officials, or perhaps we need to expand the range of strategies employed across multiple stakeholders to address chronic nuisance properties (CNPs). Ultimately we need to chart a course that reduces the time required for mitigation, verifies systems are in place for inter-departmental collaboration, and assures budgets are sufficient and aligned properly. The City, in conjunction with the consultant, should study other cities that are more effective in addressing CNPs to 1) compare staff sizes and budgets, 2) learn which departments are most engaged in enforcement, 3) compare pros and cons of which department(s) are leading those efforts 4) develop strategic code enforcement strategies and 5) provide information on incentives to encourage voluntary compliance to address nuisance issues. For example, the lead in Columbia, MO is the city/county health department; in Carrollton TX it is environmental services. The Work Group emphasizes the need for a culture

in which all the departments understand and fulfill their roles and communicate and cooperate with each other in addressing CNPs because the issues go far beyond the physical condition of the property.

New Residential Nuisance Staff Position

The Nuisance Property Work Group requests the City Manager hire a new staff position with a primary focus on addressing residential nuisance properties with the job title and department to be determined by the City Manager. That position could be tasked with attending the quarterly NAC meetings and have a key role in the Neighborhood Team redesign process and its regular reporting to the City Manager's Office.

RECOMMENDED FUNDING: BUDGET

\$100,000

Residential Community Outreach

One of the biggest challenges to revitalization and development is engaging the community and educating them on the various processes, requirements, and resources available. As the various neighborhood revitalization efforts move forward, it is critical that resources are made available to educate and connect homeowners, tenants, developers, business owners, entrepreneurs, and contractors with the resources needed to undertake projects that will revitalize the community. The program scope would include:

- Administering city revitalization incentives
- Helping constituents navigate the incentive processes for the City.
- Promoting city market catalyst sites for development.
- Economic gardening and connecting entrepreneurs with opportunities.

This effort would make revitalization efforts not only more accessible to the community but align residential development with the City's comprehensive planning and growth strategies.

The Nuisance Property Work Group requests the City Manager authorize the Public Information Office to build on its outstanding work of the Neighborhood News quarterly publication, National Night Out and Clean Green to allocate a portion of its staff time and resources to community outreach on the new residential nuisance strategies.

Staff time would need to be allocated for a marketing campaign to create awareness of the new Resource center and process to aid residential revitalization, including:

- Residential Development Outreach Program
- Quality Contractor Database
- Home Rehab Guide

Ultimately, the new Residential Nuisance staff position and PIO would utilize the recommendations from the residential consultant on how to deploy these resources.

RECOMMENDED FUNDING: BUDGET

\$25,000

Define Enforcement Philosophy

Codes utilized in CNP enforcement are large and complex, and the size of the CNP problem requires enforcement staff to set priorities. While some would like all enforcement to involve quick detection of potential violations and rapid mitigation, staffing levels are rarely sufficient for this. Accordingly, our enforcement has generally been complaint-driven, and it has been this way for such a long time that we tend to assume “success” in dealing with the problem is if the volume of complaints are dealt with quickly. Such a tradition can be oblivious to the true size of the problem because many violations may never be the subject of complaints. BDS recently conducted a street-by-street drive-by inspection across much of the city and found a great many violations. In the near term, we recommend this drive-by inspection process be continued, conducting it bi-annually as a way to augment the existing complaint-based system. We look to the consultant’s report to assess this process in the future.

Revamp Codes

CNP enforcement touches on land use (zoning), property maintenance and building codes. Some of these codes are “home grown” city ordinances and others are generated by various code organizations and adopted at the local level. Taken as a whole, if this range of codes were printed out, it would amass a stack of paper several inches thick, and with each new code version, the stack increases. In many ways, we are at a point that it is impossible for most homeowners, landlords, developers, and enforcement officials to fully comprehend this complexity. Starting with land use, we applaud the Forward SGF anticipated recommendation to move land use/zoning codes to a place-based philosophy. We think this will facilitate better neighborhood development, and importantly, empower enforcement staff to make decisions based on the consistency of any particular development with the nature and aspirations of the neighborhood where it will reside. We further recommend adoption of all new nuisance-property-related codes including but not limited to City Codes 26 and 74, as well as updates to the adopted International Residential Code and Property Maintenance Code *should only be presented to City Council if they include estimates of cost and quantifiable benefits*. Consistent with a place-based zoning code, the Property Maintenance Code should be amended to empower code officials with the ability to judge whether a property’s appearance is reasonably consistent with the expectations within a given neighborhood. For example, in our older neighborhoods, an operational front door to a house is reasonable to expect even though the code might say only egress from the back is required.



Improve Processes for Addressing Dangerous Buildings

We recommend steps be taken to more quickly address dangerous buildings. These include assessment of the time it takes for a building to be slated for appropriate remediation or demolition. In some cases this timeline is limited by available enforcement staff, hampering by state-statutes and other impediments. We might anticipate that the consultant will help shed some light on this issue. Also at stake in this matter is ability to pay, and this issue is addressed elsewhere in this document with various incentive programs, and educational outreach. Where needed, members of our work group stand ready to help the City in efforts to gain changes to state laws that impede our ability to mitigate nuisance and dangerous buildings.

Boarding of buildings is an important tool for protecting the public from dangerous vacant buildings. While all vacant buildings do not require boarding, we support extension of a boarding requirement across the city for those vacant properties that have received break-ins. We suggest the adopted city-wide code be structured to facilitate rapid boarding, include a provision that the property owner be responsible for maintaining the integrity of the boarding, and that a boarding permit be required with an escalating fee schedule to encourage boarding to be seen and used as a temporary measure. We believe providing best practices in boarding methods as is outlined in our current code is helpful but should not become the basis for time consuming inspections beyond that which would be required for addressing complaints.



2. New Investments (Appendices D & E)

Restore SGF, an independent new 501c3, is a community initiative to help revitalize Springfield's historic, but distressed neighborhoods. This is done through strategic investments in real estate and partnerships to improve quality of life. Restore SGF is designed specifically to reverse the disinvestment and decline that are undermining Springfield's historic neighborhoods.

We believe that everyone should have access to resources to invest in their homes and neighborhoods. Its goals include:

- Increasing home ownership
- Improving quality of life, health, and safety for residents
- Supporting a thriving local economy

If successful, Restore SGF will revitalize its target neighborhoods. Metrics to measure its success will be decreased crime, higher home buyer interest, increases in real estate values and ultimately a strengthening tax base.



The Restore SGF team of professionals will partner with residents to strengthen their neighborhoods. Its comprehensive strategy is based on expert research and best practices to ensure long-term success. This includes:

- A deliberate focus on four middle market neighborhoods, rather than spreading resources too thinly across the city to dilute the impact.
- Two pilot programs (Block Challenge and Homeowner Improvement) that provide funding and support for residents to complete maintenance, update old systems, and improve the curb appeal of their properties.
- Championing home ownership and celebrating all that neighbors can accomplish when they work together. This will be highly visible through Restore SGF branded yard signs, block party social events, and active social media postings.

The Nuisance Property Work Group heartily thanks the City of Springfield for its significant commitment of \$1 million of American Rescue Plan Recovery (ARPA) grant funds and \$100,000 from the general fund to launch Restore SGF. These are major milestones to leveraging additional private and public funds for this initiative.

Employer Assisted Housing Grants

This report recommends the City reinstate its employer-assisted housing (EAH) program to offer forgivable loans to its staff living in designated LMI census tracts within the city limits. The \$12K loans would be forgiven 20% each year for up to five years of employment.

EAH could be aimed to grow the number of new houses and increase the quality of the housing stock in disinvested neighborhoods in low to moderate income census tracts. To incentivize new builds and major renovations, the City EAH program could work with local banks that offer financing options to homeowners in identified areas. These combined incentives not only make new construction a possibility for some homeowners but will also encourage a larger investment than may be possible with typical market rate financing.

RECOMMENDED FUNDING: ONE-TIME (CITY EAH GRANTS 25 @ \$12K)

\$300,000

EAH City Match for Local Employers

This report recommends the City enticing other private employers to follow its lead by offering a match for similar EAH forgivable loans to designated LMI census tracts within the city limits. This would stimulate private partners to invest in talent attraction and retention and neighborhood revitalization. Restore SGF could start conversations with major employers to encourage purchasing homes in the historic neighborhoods within walking and biking distance of their employment.

RECOMMENDED FUNDING: ONE-TIME (PRIVATE EAH GRANTS 50 @ \$6K) \$300,000

The anticipated new investments of the Restore SGF bank partners could be joined with the resources of the Springfield Finance & Development Corporation for neighborhood commercial hubs. Expanding the success of Cherry & Pickwick would be magnets to draw new homeowners inside the city limits.



Crime Prevention Through Environmental Design (CPTED) Grants

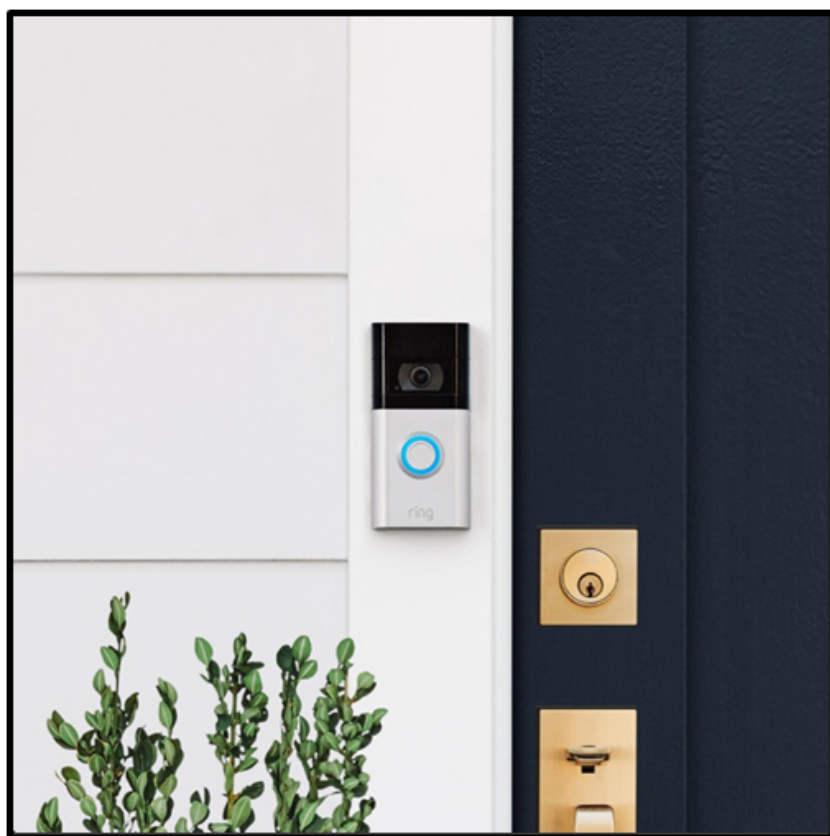
Crime Prevention Through Environmental Design (CPTED) is a multi-disciplinary proven approach for reducing crime focused mainly on deterrence through community strength. CPTED planning uses architecture, urban planning, and facilities management to create a structure, and neighborhood strength to maintain that structure. CPTED recognizes that it requires awareness, creativity and cohesion in both a physical environment and social environment.

The Springfield Police Department supports CPTED initiatives with a special team that provides information to neighborhoods seeking to use CPTED techniques. Communities applying CPTED activities reported decreases in gun violence, youth homicide, disorderly conduct, and violent crime, and a reduction in calls for police service. One requirement for residents receiving this grant would be registering video surveillance equipment with SPD.

CPTED Grants will help to address the high rate of personal property theft in Springfield (11,607 general property crimes and 3,818 vehicle thefts, 2021 SPD Annual Report), especially at a time when police staffing remains significantly lower than authorized levels. The program would reimburse residents in low-to-moderate income census tracts up to \$100 each for investments in home security equipment (such as doorbell cameras and lighting).

RECOMMENDED FUNDING: ONE-TIME (PILOT)

\$50,000



More detailed information on New Investments is available in Appendix E.

3. Replacing Rental Registrations with Rental Inspections (Appendix F)

Rental registration serves several purposes: 1) facilitate enforcement of nuisance property ordinances, and 2) provide landlord contact information for neighbors, their associations, various NGOs and others to be able to promote Clean, Safe and Healthy neighborhoods, and 3) as a communication vehicle for a future rental inspection program. BDS staff indicate that the Purpose 1 need is satisfied at the time without rental registration in its current form. As for Purpose 2, the Work Group recommends the city's public information office generate a fact sheet or brochure for the public to learn how to obtain landlord contact information, including costs and sources, e.g., county tax assessor online resources.

The City of Springfield has not enforced rental registration since its inception in 2018. Since staff are able to obtain necessary information from LexisNexis and other sources, the Work Group recommends repealing the current rental registration ordinance immediately.

This report requests the City Manager designate the existing task force CPO Chronic Nuisance Property Collaborative (inviting SAHA representatives, landlords, tenants, NAC, and other stakeholders) to identify other communities that have produced sustained positive outcomes from its residential inspection programs that could serve as models for Springfield (similar to the Springfield Public Schools Facilities Task Force.).

The City could utilize the findings from the site visits to implement a new rental inspection program over the next 12-24 months that focuses on life safety and accountability. The Nuisance Property Work Group has worked closely with representatives from the Greater Springfield Board of REALTORS, Home Builders Association (HBA), Springfield Apartment and Housing Association (SAHA), and other industry leaders to develop a framework for inspections that would be affordable for tenants, not penalize responsible property owners, and lift the floor for housing standards across Springfield.

RECOMMENDED FUNDING: ONE-TIME (UP TO 3 SITE REGIONAL VISITS)

\$15,000

The Nuisance Property Work Group also recommends expanding the HOME loan financing programs to encourage landlords and developers of existing properties to voluntarily invest in life safety improvements (functional water and sewer, fixing holes in the roof and floor, repairing faulty electrical, etc.). The loans should be flexible to keep the rents affordable for tenants through low interest rates, 10 to 20 year terms, balloon payments, and other strategies. For example, financing \$15K in critical repairs over 20 years at 2% would be \$76/month with the payment increases staggered over the life of the loan to keep the rents affordable. As needed, the HOME funds could be supplemented by private community groups such as the Community Foundation of the Ozarks to sufficiently address the accumulated deferred maintenance.

BUDGET RECOMMENDATION SUMMARY

Recommendation	One-Time	FY23	FY24
New Vision – Neighborhood Teams Redesign – City Manager’s Office & NAC Partnership – Neighborhood Nuisance Policy Changes – New Residential Nuisance Staff Position – Source: BDS Nuisance Property Revolving Fund – Residential Community Outreach (Source: PIO) – Source: Escalating Fines	Staff Time Staff Time	\$100K \$100K \$25K \$25K	
New Investments – City Employer-Assisted Housing Grants (25@\$12K) – Private Employer EAH Matching Grants (50@ \$6K) – Source: FY23 Carryover – Neighborhood Hubs Commercial Incentives – Source: Restore SGF & Financial Institutions – CPTED Grants Pilot (500 @ \$100 each) – Source: FY23 SPD Savings	\$300K \$300K \$600K \$200K \$200K \$50K \$50K		
Replacing Rental Registrations with Rental Inspections – Rental Inspection Outcome Tours (3 trips to MO cities – 15 people @ \$300 for 3 trips) – Source: FY23 Carryover	\$15K \$15K		
Totals <u>Sources</u> – FY23 Carryover – Existing BDS Nuisance Property Revolving Fund – Escalating Nuisance Fines	\$665K \$665K	\$125K \$100K \$25K	