



Mayor Brown's "5 in 5" Demolition Plan

Moving Buffalo Forward:
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Janet Penksa, Commissioner



This is the first in a new series of public policy publications issued by the Brown Administration. These briefs will be issued periodically to discuss our community's most pressing issues. The briefs will report our progress and outline future actions that are needed to achieve our goals. Working with the community, my Administration has set goals to improve the quality of life in our City, make City Hall more accountable and efficient, and strengthen and grow our economy.

This initial publication focuses on one of the most important issues facing our community - vacant structures. These blighted properties perpetuate a negative perception of Buffalo. The blight thwarts economic investment; it strains City finances; and, of prime importance, it compromises the safety of our residents who live adjacent to these structures and the courageous men and women of the Buffalo Fire and Police Departments who respond to the high rate of fires and crime in these structures.

Due to the tremendous urgency to address this problem, I have developed the "5 in 5" Demolition Plan, an accelerated, aggressive, and comprehensive, City-wide attack on the dangers and blight of vacant structures. The plan details our strategy to demolish 5,000 vacant structures in five years.

The City cannot solve this problem alone. The success of this plan is predicated on strong partnerships. Funding, regulatory constraints and mandates, as well as corporate and not-for profit organization re-structuring, are all issues beyond the City's control.

With an affordable cost of living, nationally recognized architecture and leisure attractions, many Buffalo neighborhoods are experiencing a resurgence and revitalization. In order to accelerate our economic revival, removing blight and opening up shovel-ready sites for new investment are critical.

With aggressive leadership by the City of Buffalo, in partnership with its citizens, business and community leadership, I am confident this plan will help us alleviate the potentially damaging impact that abandoned vacant structures have on Buffalo's neighborhoods.

We need your support and I invite your comments directly at bbrown@city-buffalo.com or 851-4841.

Byron W. Brown
Mayor, City of Buffalo

Mayor Brown's "5 in 5" Demolition Plan

- **"5 in 5" Defined:** *Bringing the vacancy rate in the City of Buffalo closer to 5% by demolishing over 5,000 properties in 5 years.*
- **Partnership:** *A City-State-Federal-Community Partnership of actions and resources.*
- **Regulatory Changes:** *State regulatory reform to provide greater local decision making.*
- **Streamline:** *Change New York State processes to enable municipalities to access critical funding sources on a more timely basis; remove costs, burdensome fees and mandates.*
- **Management:** *Mayoral appointment of a new Deputy Commissioner charged with implementing this comprehensive plan.*

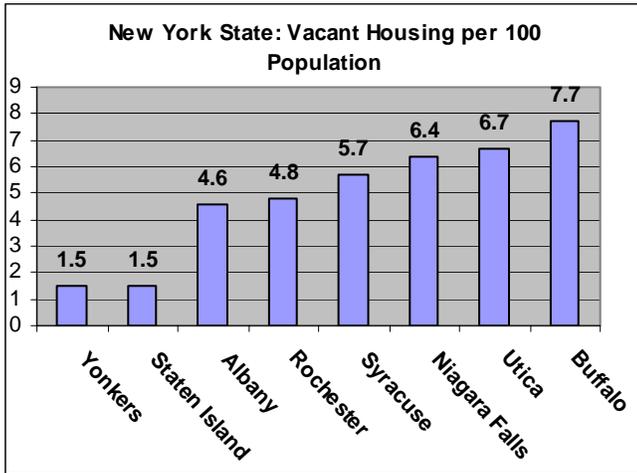
VACANT ABANDONED PROPERTY:

The costs to Buffalo are high

Buffalo has a disproportionately high vacancy rate. According to the U.S. Census, many of the City's vacant structures are abandoned and blighted, making this one of the most compelling issues facing our City.

Abandoned vacant structures:

- Deter people and businesses considering locating and investing in the City;
- Impede economic investment: increasing the costs of creating shovel-ready sites for development;
- Drain City finances: requiring a substantial investment in public safety personnel, building inspectors, and others needed to continuously monitor, maintain and protect these properties;
- Are dangerous: attracting drug activity, prostitution, crime, fires and dumping;
- Are more expensive for the City to protect and maintain the longer they remain vacant and will ultimately cost the City more to demolish.



The Imperative to Accelerate

According to the 2000 Census, Buffalo has an estimated 15% vacancy rate, with an estimated 10,000 vacant residential structures.* The Queen City in the 21st Century: Buffalo's Comprehensive Plan sets a goal of annually demolishing 1,000 units, or approximately 500 "vacant, dilapidated, or un-repairable" residential structures. Achieving the 5% vacancy rate goal set in this plan would take well over 10 years to accomplish.

Therefore, Buffalo must move aggressively to lower its current rate of vacant housing. The "5 in 5" Demolition Plan's goal to demolish approximately 5,000 structures in five years, would bring the vacancy rate closer to 5% in half the time targeted by the Comprehensive Plan. Given the size and the scope of this problem, an intensive, comprehensive approach is required as part of a City-State-Federal-community partnership.



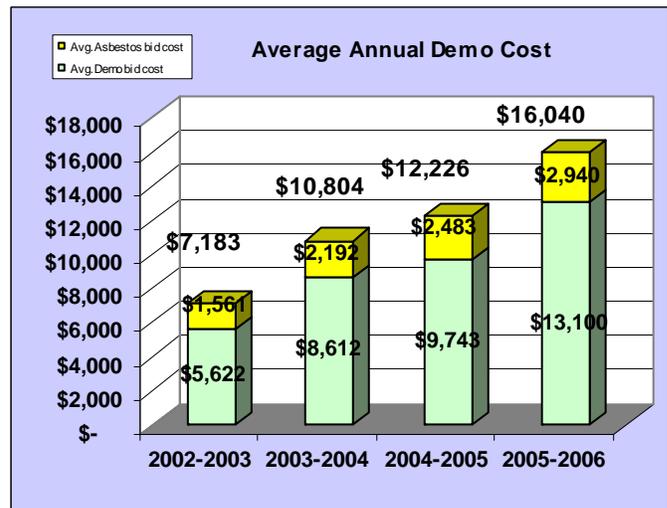
The first prerequisite to accelerating the pace of demolitions in the City of Buffalo is adequate funding. Achieving the "5 in 5" Demolition Plan goals will require approximately \$100 million in funding over the five-year period of the Plan.

Changes to the State statutory and regulatory structure are also important in making the demolition process more efficient and responsive so that demolitions occur quickly and reflect City priorities. And, the City's Federal delegation and community institutions are important partners in providing funding and leadership, as well.

The City of Buffalo

The Brown Administration is pledging a minimum of \$20 million for demolitions. The Administration will also work diligently to lower the costs of demolitions through rigorous management, greater contractor accountability, and continuous cost-containment initiatives in partnership with State regulators.

- Each vacant residential structure will cost the City an estimated average of \$20,000 to maintain over the next five year period, and even higher if public safety costs are factored in.
- Each vacant residential structure costs the City \$16,000 to demolish currently, and will increase to \$20,000 within five years.
- The average demolition contract increased by 123% between 2003 and 2006.



*Additional vacancies are created as times goes on and this will not be precisely quantified until the next census in 2010. Vacancies occur as people move away, organizations restructure, and when changes in industry cause companies to leave older and obsolete structures behind in favor of newer, streamlined, and technologically advanced facilities. The vacancy rate is defined as the vacant units as a percentage of all housing stock.

New York State

The State is already a strong partner in the demolition process. In 2006, at the urging of the City of Buffalo and its State representatives, the Restore New York Communities Initiatives was established. The 3-year \$300 million competitive program provides grants to municipalities across the state to demolish and rehabilitate vacant and blighted structures. The program was designed to target projects in economically distressed communities, yet Buffalo received only \$3 million from a \$50 million allocation in the program's first year. Communities like Buffalo must benefit in accordance with the original intent of the program.

Given that Buffalo has a disproportionately high rate of vacant property among urban areas in the State and that it is among the most distressed, it is not unreasonable to ask for this program to provide at least \$20 million out of the \$100 million State fiscal year 2008 allocation and at least \$25 million from the \$150 million fiscal year 2009 allocation.

Additionally, direct funding from the Governor and the legislature is also necessary to meet the "5 in 5" Demolition Plan's target for \$60 million in State support. The City's State delegation has been generous in their provision of direct earmarks for demolition activities and the demolition plan is predicated on the continuation of that strong support.

The Regulatory Environment: The State, based on the policies of prior gubernatorial administrations, has imposed a burdensome bureaucratic process before the City can utilize funding committed by the State. It may take over a year from when the State makes a funding commitment to actual receipt by the City while it goes through agency and Buffalo Fiscal Stability Authority approval. This process must be streamlined and accelerated for the City to meet its goals.

Beginning in 2004, New York State began imposing stricter asbestos regulations on municipalities conducting demolitions. While these regulations were created as safety and environmental measures, the consequence has been an astronomical increase in the cost of demolitions, thereby causing a significant decrease in actual demolitions.

The State also charges an Asbestos Notification Fee of up to \$1,000. The City is seeking adoption of legislation to remove this fee as well as regulatory support and an examination of strategies that reduce asbestos removal costs, while maintaining environmental and safety measures.

Finally, Buffalo and other New York State municipalities receiving demolition funding should be given the flexibility to target structures that are municipal priorities.

Governor Spitzer's Administration has been working diligently to streamline these processes and is a strong partner as the State continues to align its award and implementation processes with statutory intent so that communities like Buffalo will benefit in accordance with the original intent of this program.

The Federal Government

Buffalo's Congressional delegation is also a strong partner in achieving the demolition plan's goals. Given the delegation's strong track record in obtaining Federal earmarks for the community, the demolition plan counts on working with the delegation to secure \$15 million in direct Federal support.

THE BUFFALO NEWS

Let's all pitch in to raze City's abandoned houses

I am a firefighter's mom. Since June 10 I've been with my seriously injured son at Erie County Medical Center. He's recovering because of who he is, because of the excellent care he's been getting and because of thousands of prayers and well wishes. I am grateful, but now I'm angry as to why this had to happen.

The equation is simple. Old houses plus fire (arson) equals potential danger and tragedy. May I offer a mother's cure? The City of Buffalo will spend \$14 million to tear down abandoned houses this year, but more is needed. I challenge anyone -- individuals, corporations, businessmen, sports figures, contractors and concerned citizens -- with the capital to TDAH (Take Down A House).

Don't just think about it, show some moxie, find out how to go about it and do it! Then you can proudly say, "TDAH," I took down an abandoned house (or two) in Buffalo.

Barbara Reed
Everybody's Column
Buffalo News 7/7/07

This letter to the editor was written by the mother of firefighter Mark Reed. In it, she challenges the community to contribute to helping our cause of demolishing vacant structures.

Support from the Business and Philanthropic Community

The City will supplement its ongoing annual demolition commitments to match, dollar for dollar, new community support, which the "5 in 5" Demolition Plan targets at \$2.5 million for a total Community- City matching contribution of \$5 million. In addition to funding support, businesses and community organizations need to be thoughtful in terms of planning reuse of unwanted structures. And, Buffalo will continue the aggressive efforts of the Mayor's Anti-Flipping Task Force, bringing an end to speculative, absentee landownership.



This house on Loepere Street on Buffalo's East Side was demolished to make way for a new housing project titled "Crescent Village."

Buffalo Demolition Priorities

- 1) Emergency Demolitions that are an imminent threat to public safety
- 2) Public Safety Demolitions targeted around School Facilities
- 3) Strategic Neighborhood Development
- 4) Economic Development/ Urban Renewal Projects

Implementation Policies: Buffalo's Commitment to Thoughtful Planning

Unlike the Urban Renewal policies of the 1950's and 60's, when entire neighborhoods were demolished with little strategic planning for redevelopment, Mayor Brown's policy will prioritize demolitions in areas with redevelopment plans in place, as well as sites posing a threat to public safety. Careful consideration will be given to "deconstruction," a form of demolition, which enables the maximum recovery of reusable and recyclable materials. And, the City's demolition strategy will supplement, not supplant, efforts to rehabilitate properties when possible.

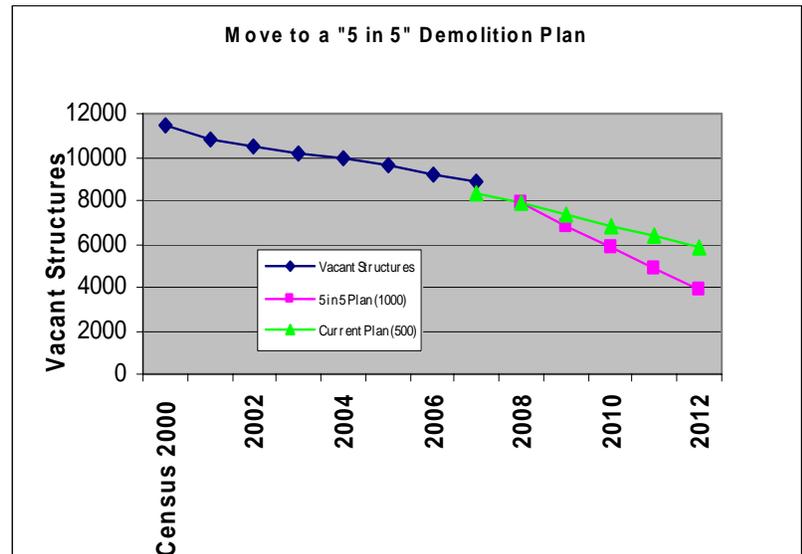
"5 in 5" Targeted Funding Plan

STATE:	\$60 million
FEDERAL:	\$15 million
CITY:	\$20 million
COMMUNITY- CITY (Matching Contribution)	\$5 million
TOTAL	\$100 million

Now and Looking Forward

The "5 in 5" Demolition Plan will be a vital tool in growing Buffalo's economy. Accelerating the City's demolition program to demolish 5,000 structures within the next five years will stabilize neighborhoods, create development and investment opportunities, save the City money over the long term, and ensure greater public safety.

Achieving the goals set forth in this plan will require the help of our residents, business and community leaders, and our government partners. When completed, it will be a significant step in moving the City forward.



Sources:

City of Buffalo Department of Economic Development, Permit & Inspection Services, Richard Tobe, Commissioner

City of Buffalo Office of Strategic Planning, Timothy E. Wanamaker, Executive Director

City of Buffalo, Department of Administration, Finance, Policy & Urban Affairs, Janet Penksa, Commissioner