Sandusky’s Assets

Sandusky is a city on the move. The steps its citizens have taken to shore up its finances and deal with the critical issues of public safety, increased code enforcement, economic development and infrastructure improvement were essential. Not only did these steps stabilize the City — but also set the stage for growth and increased prosperity. Sandusky is rich with history and well known to people throughout the region because of its unique location and recreational activities. But it is also a place that almost 26,000 people call home — people who remain at the end of the day and at the end of the tourist season. The unique character of an older community with historic buildings and homes presents its own set of challenges around the maintenance of these structures. Fortunately for Sandusky, the survey results contained in this report reveal a housing stock in remarkably good condition. Sandusky property owners take pride in their property and the survey is evidence of that. But there is increased vacancy in the city, and some of these structures have been abandoned. There are growing signs of deferred maintenance, but those issues should be addressed by the City’s renewed commitment to code enforcement. The dynamic leadership of Sandusky’s new City Manager Eric Wobser, and the City Commission, led by President Dennis Murray, are moving the City in a positive direction. Unlike so many communities in distressed post-industrial parts of the Midwest, Sandusky is poised to do more than just ‘hang on’ or survive, but to thrive by taking advantage of its many assets — both natural and man made. Hopefully this report will help to guide its leadership in one critical area— housing — and complement the City’s commitment to this critical sector.
Thanks to those who made this survey possible

There are many people who made this survey possible, but none are more important than the Foundations who funded this work. We would like to thank the Erie County Community Foundation, the Randolph J. and Estelle M. Dorn Foundation and the Frost-Parker Foundation for their generous support of this project.

We would also like to thank the City of Sandusky, in particular City Manager Eric Wobser, Angela Byington, Director of Neighborhood Development and Mathew Lasko, Chief Development Officer. The team handling the door to door survey work was made up of Devon MacKay (team leader). Dennis Feltner, Caroline Tokar, Clifford Loomis, Nancy Wheelock and Philip Piscano. Without a reliable team on the ground, this survey would not be possible.
Western Reserve Land Conservancy is a nonprofit conservation organization dedicated to preserving the natural resources of northern Ohio. We work with landowners, communities, government agencies, park systems and other nonprofit organizations to permanently protect natural areas and farmland. In March 2011, Western Reserve Land Conservancy launched Thriving Communities Institute, a region-wide effort to help revitalize our urban centers, and named nationally known expert Jim Rokakis as its director.

Today, Thriving Communities is working with communities and organizations throughout the region to transform vacant and unproductive properties into new opportunities to attract economic growth, add green space to our cities and support safe, beautiful neighborhoods. Our cities have thrived in the past, and we believe they will thrive again in the future.

TCI was established to create an urban presence in the cities of Northeast Ohio. The primary objective was to establish County Land Reutilization Corporations, commonly referred to as county land banks, in these counties to give communities additional blight fighting tools. The mission of TCI expanded to include the raising of additional funds to remove blighted properties from these communities. To date TCI has raised 182 million dollars for blight removal statewide. The detailed survey work and property analysis provided herein will allow the City of Sandusky to effectively utilize their demolition funds and continue to maintain the high quality of its housing stock.

www.wrlandconservancy.org
www.thrivingcommunitiesinstitute.org
Sandusky Property Inventory Report

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Introduction

This report describes the findings of a property survey completed in the City of Sandusky, Ohio in 2014. The survey was implemented by the Western Reserve Land Conservancy’s Thriving Communities Institute and Sandusky residents, with support from the Erie County Community Foundation, the Randolph J. and Estelle M. Dorn Foundation and the Frost-Parker Foundation. The parcel-by-parcel survey was undertaken to create a general inventory of the city’s housing stock and, in particular, to identify the vacant, abandoned properties that can cause economic, social and safety issues within a community.

The findings in this report provide the City of Sandusky and the Erie County Land Reutilization Corporation (Land Bank) with information to move forward in planning and implementing blight abatement and advancing a targeted demolition strategy. Identifying vacant and abandoned properties is a step toward rehabilitating and reutilizing what might have been unproductive land into land with both economic and social opportunities.

In addition to the information provided in this report, Thriving Communities provided the City with a spreadsheet data-set of the survey results and a web-based mapping application that displays the results, as well as visual aids in the form of tables and maps that will provide a comprehensive view of results and the City’s housing stock.

Background

Sandusky is a city of roughly 26,000 residents situated on the coast of Lake Erie. It occupies 21.91 square miles—9.73 square miles of land, 12.18 square miles of water—and boasts 22 miles of shoreline. Sandusky is the county seat of Erie County.

Established in 1818, Sandusky has a rich history of abolitionism, industry, mining, masonry, tourism, and waterfront recreational activities. This history is reflected in the diversity of its architecture, which spans from 19th century to contemporary buildings, and accommodates a variety of residential, commercial, industrial, and other uses. Despite Sandusky’s assets, a weakened, still recovering economy, combined with loss of industry and an aging building stock have created conditions for property blight and abandonment, presenting a challenge to a city whose mission it is to provide “a desirable community to live, work, play and grow.”

According to U.S. Census data 2008-2012 American Community Survey estimates, Sandusky has approximately 13,500 housing units, slightly up from 13,320 housing units in 2000. Although the number of units increased, the occupancy rates have decreased from 89% in 2000, to 82.3% in 2012. Sandusky has also seen
the percentage of vacant housing units increase from 11% to 17.7% over the same period. These numbers point to a set of factors faced by communities all over the country: an increase in housing stock during the years leading up to the 2007 foreclosure crisis, followed by job and population loss during the recession, and the resulting abundance of post-foreclosure crisis properties that accumulated in the stagnant market.

**Methodology & Process**

Throughout September and October of 2014, Western Reserve Land Conservancy’s Thriving Communities Institute completed a comprehensive citywide property survey. A team of 6 trained surveyors—5 Sandusky residents and a project leader from Thriving Communities — inventoried approximately 13,000 parcels across the City’s 16 voting precincts.

For each parcel in the City, surveyors photographed the parcel from the sidewalk using an iPad and categorized the property as an occupied structure, a secure vacant structure, an open vacant structure, a park, a parking lot, or a vacant lot. Parcels containing a structure—occupied or vacant—were classified according to their apparent use as residential, commercial, industrial, or other (representing municipal use, as well as indeterminable use). The number of units in each structure and the presence of for sale or rent signs was also recorded for every parcel. Surveyors also assessed more specific qualities pertaining to the condition of the building and/or parcel, which involved determining the presence of damaged paint or siding; damaged windows; broken windows or doors; damaged roof; damaged fence; damaged garage; trash or dumping; junk cars; sidewalk condition; signage condition; and parking lot condition. Based on these criteria, each parcel received a grade on the following scale: “A” for Excellent condition; “B” for Good condition; “C” for Fair condition; “D” for Deteriorated condition; and “F” for Unsafe/Hazardous condition.
The surveyors were trained to use context clues to inform their assessment of each parcel. For example, if a house appears to have furnishings but the lot is very unkempt and overgrown, the surveyor would look for a pile up of newspapers or mail on the porch, unseasonal decorations, a notice of eviction or vacancy posted on the door, and any other visible information to determine its vacancy or occupancy. Neighbors were also a valuable resource that surveyors were encouraged to consult when determining vacant or hazardous properties.

The information collected for each parcel was incorporated into the property database held within a customized Geographic Information System (GIS), allowing for the mapping of this data. Survey data collected in the field was transmitted directly to the Conservancy’s server for processing. The immediacy of this system meant that surveyors could see each other’s work on the map in real time, avoiding repetition and increasing efficiency. Daily progress reports provided by the Conservancy allowed the surveyors to measure progress and set goals for completion. Staff at Thriving Communities met regularly to discuss progress, troubleshoot any problems, and ensure that the project’s goals were being met.

Feedback from — and interaction with — residents was consistent as they were supportive of the study and enthusiastic about the opportunity for the City to have this comprehensive information to review the overall condition of Sandusky’s housing stock and vacant land inventory.

Results

Identifying problem properties is the first step to remediate blight. Vacant and blighted properties, or those structurally graded as “C”s, “D”s, and “F”s in the current analysis, should be flagged by the City for further
scrutiny and possible demolition, whereas structurally sound vacant properties (those graded “A” or “B”) should be monitored. Occupied blighted structures may need to be abated through other means, particularly, city code enforcement or rehabilitation.

City-wide, 12,748 parcels were evaluated by this survey, 10,118 (79.3%) of which included a structure. There were 9,647 occupied structures counted, comprising 95.3% of all structures assessed. Occupied structures represented 75.7% of all parcels. There were 471 vacant structures, representing 4.7% of all structures and 3.7% of all parcels in the City of Sandusky. Among the vacant structures counted, 437 (92.8%) of them appeared to be secured, while 34 (7.2%) of them were open and thus susceptible to entry.

While the 2010 U.S. Census estimated a 17.7% vacancy rate, or 2,398 units. This number is much higher than survey findings as the current study evaluates structures, whereas the Census tracks units. There may be multiple units associated with an individual structure (i.e. multifamily house). Overall, the number of blighted vacant properties is probably lower than perceived by City officials. Without the parcel inventory, it is arguably more difficult to quantify the magnitude of the problem.

<table>
<thead>
<tr>
<th>Survey Category</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>F</th>
<th>Not Graded</th>
<th>Total</th>
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<tbody>
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<td>5655</td>
<td>2442</td>
<td>970</td>
<td>102</td>
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<td>477</td>
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<td>Vacant Structure Secure</td>
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<td>155</td>
<td>133</td>
<td>47</td>
<td>14</td>
<td></td>
<td>437</td>
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<tr>
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<td></td>
<td>34</td>
</tr>
<tr>
<td>Vacant Lot</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td>1664</td>
<td>1664</td>
</tr>
<tr>
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<td>3</td>
<td>1</td>
<td></td>
<td>411</td>
<td>501</td>
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<tr>
<td>Not Surveyed</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>78</td>
<td>78</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>5822</td>
<td>2610</td>
<td>1108</td>
<td>166</td>
<td>25</td>
<td>3017</td>
<td>12748</td>
</tr>
</tbody>
</table>

Figure 1: A categorical breakdown of the results of the Sandusky Property Inventory.
The quality of the City’s occupied housing stock appears to be sound, with 8,346 (83.9%) of occupied structures graded by our surveyors as either “A” (“Excellent”) or “B” (“Good”). Specifically, there were 5,747 structures graded “A,” and 2,599 graded “B.”

Less than 2% of the City’s parcels containing structures received grades of “D” (“Distressed”) or “F” (Unsafe/Hazardous). Of the 190 (1.9%) structures with low ratings, 165 were graded “D” and 25 graded “F.” 103 of these structures were found to be occupied—102 rated “D” and only 1 rated “F.” The remaining 87 low-grade structures are vacant, with 61 of them secure and 26 open. These figures should be promising for City officials. The data shows that the sound structural stock far outweighs the blighted structures, suggesting Sandusky has plenty to work with in creating future strategies.

It is important to note that vacant structures are among the well-rated properties. There were 88 “A” grades and 155 “B” grades, totaling 243 secure vacant structures with little or no blight. One reason for this may be structures that were for sale or rent being visibly vacant, and thus classified as such by the surveyors. The inventory counted 347 structures for sale or rent, 94 (27.1%) of which were vacant. This means that among the 471 vacant structures, 94 (19.9%) are for sale or rent and therefore may be only temporarily vacant.

Overall, the vacant structures that received good or decent grades greatly outnumber those that scored poorly. The survey counted 384 vacant structures graded “A,” “B” or “C.” By contrast, only 87 vacant structures were graded “D” or “F.” This means that out of 471 vacant properties, 18.5% are of unsafe or hazardous condition and should be short-listed by the city to consider for demolition.

The survey collected a variety of information to specify issues with each property, evidencing the property’s overall condition grade. This information can be generalized to consider what types of blight are most prevalent and worthy of attention or code enforcement by the City. The findings indicate damaged paint and/or siding to be the most prevalent issue, with 2,622 (20.6%) of parcels surveyed showing some degree of this blight. Damaged fencing ranks second in prevalence: 457 (7.5%) of properties with fences have fences in
poor condition. A total of 757 (5.9%) of surveyed structures have a damaged roof; 373 (2.9%) have damaged windows or doors; 193 (1.5%) have boarded windows. Additionally, 438 (3.4%) of parcels surveyed contain a damaged garage; 344 (2.7%) had visible trash or debris dumping; 77 (.6%) had junk cars visible.

Many of these blight factors are cosmetic and therefore easily remediated. Regardless, the presence of blight should be taken seriously as it can be a sign of housing disinvestment. It is important for communities to monitor housing disinvestment because it can have a contagious effect on surrounding property values which, in turn, can increase a neighborhood’s risk of foreclosure. For example, one research study investigated the channels from which foreclosures can spread, noting the likely occurrence of a disinvestment feedback loop. Specifically, the study found that homeowners cut capital expenditures when home prices fall and the risk of foreclosure increases. The disinvestment lowers neighborhood amenity and provides other homeowners a disincentive to spend money on home improvement. The cumulative under-investment deteriorates home quality and brings down neighborhood home prices, completing a feedback loop.

The City of Sandusky identified blight criteria mostly specific to business properties for assessment. Of the total 12,748 surveyed parcels, 1,041 (8.2%) were identified as commercial or industrial uses. These properties are included in the overall analysis of blight conditions, but specifics pertaining to parking lot condition, signage condition, and lighting condition were also considered. Some residential or “other” classified properties may have these features, but for the purpose of analysis these criteria are attributed to properties of commercial and industrial use. The inventory shows that 885 properties have parking lots, 801 (90.5%) of good condition, 84 (9.5%) of poor condition. There were 651 properties with signs, 581 (89.2%) in good condition, 23 (3.5%) in mixed condition (for properties with multiple signs), 47 (7.2%) in poor condition. The condition of lighting on properties was difficult for surveyors to determine, as they worked during daytime, but 166 were accounted for, of which only 6 appeared in poor condition.

<table>
<thead>
<tr>
<th>Table 2: Property-specific Criteria Results</th>
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</thead>
<tbody>
<tr>
<td>No</td>
</tr>
<tr>
<td>Yes</td>
</tr>
<tr>
<td>Total</td>
</tr>
<tr>
<td>% Yes</td>
</tr>
</tbody>
</table>

Table 2: Breakdown of findings regarding city-requested survey items
Conclusion

While the overall findings of our study are positive, city officials and community leaders should consider the challenges Sandusky still faces and the risks those challenges present to continued progress.

One major challenge, shared with many older communities in the mid-west, is the fact that the majority of the housing stock in the City is over 75 years old. Although most of the housing stock was rated as either A or B in our assessment, the City should consider steps to ensure that the naturally aging housing stock does not deteriorate. At present these As and Bs are a major asset for the City. Preserving that status, while shoring up the C-rated properties and addressing the Ds and Fs should be a top priority.

The purpose of this study was to conduct a physical assessment of housing inventory. It was beyond the scope of this report to conduct an assessment of the City’s code enforcement and property preservation systems. However, we do recommend that the City of Sandusky conduct such a review to determine whether the current systems have the tools and components to strengthen and preserve the current housing stock. Such an assessment could include, for example, the following:

• Does the current system provide decision-makers with an analysis of who owns the housing inventory?

• Where are there concentrations of rental property and owner-occupied property?

• Who are the largest holders of the vacant properties identified in this survey and what are their characteristics, e.g. are they banks, corporations, small mom-and-pop investors?

• Does a readily accessible property data system exist that would enable community and civic leaders to have at their fingertips information they need to make key planning and code enforcement decisions?

• Are there sufficient resources available to assist struggling homeowners and responsible rental owners with maintenance and repair of properties? Could the City partner with Erie County to help create such a program?

While there were only a limited of vacant and abandoned houses identified in the survey, it is important to strategically address each of those properties. The primary problem presented by vacant houses stems from the fact that vacant and abandoned houses act as a disamenity, or a negative attribute that reduces the appeal of a neighborhood. This is in contrast to an amenity, like a waterfront or park, which enhances neighborhood appeal. Ample research has demonstrated that vacant and blighted houses have been shown to (1) decrease values of nearby properties; (2) attract crime; (3) decrease perception of neighborhood safety; and (4) increase mental stress. In all, vacant and blighted homes can lead people to move out of these areas and
ultimately to depopulation, which, consequently, increases vacancy. To halt this trend, blight abatement is needed.

One blight abatement intervention is the removal of the vacant and blighted property from the neighborhood via “strategic demolition,” which is a process of selectively removing vacant structures so that neighborhood reinvestment is best leveraged. In all, demolition of vacant and blighted properties has been shown to retain nearby property values and reduce crime at rates equaling that of police activity in the immediate area.\(^5\) The cost of demolition is substantial (approximately $10,000 per structure), and removing blight requires city financing, which is largely dependent on local taxes. This presents an unwelcome paradox for post-industrial communities. Put simply, more revenue is needed to deal with blight, yet blight erodes the availability of revenue.

To get ahead of this situation, state and federal investment in hard-hit municipalities is needed so strategic demolition can occur at a rate that parallels the number of newly vacant structures coming online. Over the past several years, lobbying efforts led by Thriving Communities Institute have freed up significant state and federal monies that are currently being used for strategic demolition across Ohio, including in Erie County.

Accessing strategic demolition funds is only part of the solution. The next step is a process of surveying, identifying, and strategically prioritizing vacant and blighted properties—as well as blighted occupied properties—so that limited demolition dollars can be best leveraged. The current study results provide a parcel-by-parcel approach that can inform the City of Sandusky’s blight strategy going forward. More specifically, City staff can use the data to make recommendations on the areas in which demolition will have the highest impact, or where rehabilitation should be promoted.

An important next step in the process is for the City to strengthen its relationship with the Erie County Land Bank to access and utilize available

Members of the Property Survey team.
funding for demolition of blighted properties within City boundaries. The Land Bank served as the lead entity for Attorney General Mike DeWine’s Moving Ohio Forward demolition grant program. County land banks are currently the only Ohio organizations eligible to apply for demolition funding through the Ohio Housing and Finance Agency’s Neighborhood Initiative Program (NIP) through which the Erie County Land Bank applied for and received the minimum (among similar size counties) allocation of $500,000 for demolition of blight-ed properties in target areas of the county. A cooperative partnership between the City and the County Land Bank could have provided for a stronger application and perhaps additional funding. As future funding opportunities become available, the City and Land Bank must work together to maximize resources and opportunities.

When faced with population loss, economic downturn and the foreclosure crisis, Sandusky fared somewhat better than its neighbors to the east and west. Cities like Youngstown, Warren, Toledo and Cleveland are working hard to survive. Sandusky’s challenge is not just to survive, but to thrive. Gathering, analyzing, maintaining and continually updating housing data will provide the City with the ability to effectively utilize each of its many development tools. This property inventory provides one important piece of that data.
End Notes

1 See: http://www.ci.sandusky.oh.us/

2 It must be noted that the determination of what was “open” was limited by what could be observed from the sidewalk. Additional structures could have open rear entry doors and ground floor windows.

3 See: http://ssrn.com/abstract=1764271

4 See: http://www.brookings.edu/research/papers/2012/09/24-land-use-demolition-mallach

Appendix

Sandusky Property Inventory Results Map ........................................18

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Results by Census Block Group .....................................................20
Sandusky Property Inventory Results: Block Group # 390430409002

Survey Results

- Occupied Structure
- Vacant Structure Secure
- Vacant Structure Open
- Vacant Lot
- Parking Lot
- Park
- Other
- Not Surveyed

Survey Results:
- Occupied Structure: 64%
- Vacant Structure Secure: 3%
- Vacant Structure Open: 6%
- Vacant Lot: 23%
- Parking Lot: 1%
- Park: 1%
- Other: 0%
- Not Surveyed: 0%

Western Reserve Land Conservancy
Our Land. Our Legacy
Map Created 3/23/2015
Sandusky Property Inventory Results: Block Group # 390430408002

Survey Results
- Occupied Structure
- Vacant Structure Secure
- Vacant Structure Open
- Vacant Lot
- Parking Lot
- Park
- Other
- Not Surveyed

Occupied Structures
- A
- F

Vacant Structures (Secure)
- A
- F

Vacant Structures (Open)
- A
- F

Miles

Western Reserve Land Conservancy
OUR LAND. OUR LEGACY
Map Created 3/24/2015 sm