

May 3, 2010

City Council

Proceedings by Authority

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A Special Work Session of the City Council of the City of Jamestown, New York to review the Neighbor Revitalization Plan was held on Monday, May 3, 2010 at 6:30 p.m.

Members Present: Council President Greg Rabb, Council Members, Steve Szwejbka, Councilman Michael Taylor, Vince DeJoy, Paul Whitford, Kim Ecklund, and George Spitale

Members Absent: Tony Dolce, Maria Jones

Others Present: Director of Financial Services/City Clerk James N. Olson, Corporation Counsel Marilyn Fiore-Lehman, Director of Public Works Jeff Lehman, Board of Public Utilities General Manager David Leathers, Battalion Chief William Johnston, Captain Barry Swanson, Director of Development Steve Centi and Executive Assistant to the Mayor Matt Hanley

Council President Rabb called the meeting to order and welcomed everyone in attendance and stated that the Mayor extends his regrets, he would really like to be here; he normally is with us for Work Sessions but this evening he's in Albany with the New York Conference of Mayors doing work on behalf of the City, but he asked me to express his regrets and to let you know that he is fully committed to our Plan that you're going to see this evening. Because this is technically a Work Session of the City Council, a somewhat unusual one, I think this is the biggest attendance that I've ever seen in the time that I've been on the City Council, so I love this. This is exciting for me, but after I introduce Charles Buki and Charles will give us a presentation – if you have a question or a comment for Charles, I would ask that you go to the microphone, state your name and address. Charles has some very definite recommendations for us that I've had the opportunity to look at; the Mayor's had the opportunity to look at; the Development Department, the City Council, but we're still looking for your feedback, and we're also very much looking for your help in getting it done. The Mayor can't do it; the City Council can't do it; Charles certainly can't do it – he doesn't live here, I know he wants to, but he can't. We're going to need everybody in this room not to just be here this evening, but to help us as we move along. I think this is, from my perspective and I hope you'll agree with me after you see this, this is one of the most exciting things Jamestown's ever done and I also think it's one of the most challenging things we've ever done. We're really going to have to step up to the plate and hit a homerun and I like baseball analogy. I think we can do it, it's just that this is going to challenge us to stretch in a way that I think Jamestown hasn't in a very long time. That's why I know that the Mayor and Council members can't do it alone. We need everybody in this room, so I'm hoping that while I'm glad to see you all here tonight, we're going to see you a lot more as we move down the road with the Plan. Now I'm going to probably shut up for awhile, which might make some people happy. I am going to send around a signup sheet. If you would like more information or you would like to get involved with the planning process, the implementation process, give us your name, address, email, phone number. It's not really an

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attendance sheet, it's just that if we don't have you in the system someplace, and you'd like to help us out, this is actually me saying "please – we need your help. We can't do it alone."

Behind me, patiently waiting as we solved our problem with projection, is Charles Buki from CZB Consultants and Charles and the people working with him and for him have done a tremendous job. I don't think anyone's looked this comprehensively at the City of Jamestown, probably in the history of Jamestown. So I think what Charles has to say about the state of the neighborhoods in the City right now and where we would like to take the City in the future, I think you're going to find interesting. There's a lot of good news in there. There's some not so good news, but it's a realistic approach and so Charles, with that, I will be happy to turn the program over to you.

CHARLES BUKI PRESENTATION

I have a Planning practice. We're based in Alexandria, Virginia and am very glad to be here. I drove across Pennsylvania to get here today, a much more difficult task than surveying 8,023 houses in your community. I am very glad to be here. Let me take a second and thank some folks who put a lot of time into the work that I'm going to summarize today. There are really two groups of people to thank. First, my staff who's not here; some of them are working in Ohio and Philadelphia today. My longtime business partner and friend, David Belkey, couldn't be here today. He's in Canton, Ohio. He wishes you well, and my lead analyst Karen Pooley, really is the person who really dug into the data and gave us a lot of direction. So on behalf of their work, I want to be sure to call them out.

We also had the benefit of having an intern, *Sylvia Burse????*, some of you may have met. She lived here for six weeks and she did a lot of work on the ground for us – an extraordinary amount – so the quality of the work goes to their contributions. Here in Jamestown, likewise, and I'm a little bit...I want to be sure to not...be cautious in thanking folks because some of the report actually has some harder edges and you may not wish to have been thanked, but let me do so anyway.

About a year ago, I got a phone call from Len Faulk, a community activist for whom many of you know, and he called and said "listen – your name came to me by way of some work elsewhere in New York. We've got a weak market situation – would you mind taking a look at it?" I came up about 15 months ago. It was my first opportunity to see the community and he really is responsible, I think, for making that initial introduction. So in an important way, I would...qualities in the report that you find incisive, they do trace in an important way back to Len. Len's collegueship at the local foundations with Randy Sweeney and John Merino, at the JRC with Jennifer Harkness, with Lee Harkness – it's a long list. A lot of partnership from Dr. Lillian Ney along the way has really helped us to see the community. We had a number of opportunities to work pretty closely with the Mayor and Steve Centi. So again, feedback and contributions we got from public, private and non-profit sector all feed this in pretty profound ways.

There's about an hour's worth of slides. They go through actually really fast. There's not lots of text. Before I do that, what I would you to do is I'm going to kind of go through what's not on

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the slides and it's kind of the high level themes to keep in mind. Some of you may have had access to the report as it's been posted online and in the local paper – some of you may have sort of heard it word-of-mouth or seen the report, read only parts of it – what have you – this would be my cliff note version of the important points. So I'm going to run through that one at a time. If you're like me – you write down...these are really high level points to keep in mind.

The first piece is that all of them are really deeply interconnected.

No. 1 is the Isolated Market and it's going to be an isolated market. Why's that different, important? Anybody. You're not getting overflow from the other communities. That's the exact right answer. What we would say is you can't poach demand. There's no other place that you can swipe demand from. So infinite supply if you can't steal demand, you have an internal market. That means that your market is only as strong as you all make it. So that's the first point. There are city/county relationships; city/county/state relationships, but at the end of the day, they kind of, in my view, they matter less than taking care of business internally. Isolated Market.

Point 2: It's an incredibly affordable market. It's among the most affordable markets in the United States. We are fortunate to work in over 40 states. We work in very hot markets – the San Francisco Bay area and Los Angeles, 2004, 5, 6, 7, Seattle, Park City, Utah, Santa Fe, Boston, very high markets. At the other end of the spectrum, we work in some very weak markets: Flint, Michigan, North Philadelphia, Camden – you're at neither end of the spectrum, but you definitely tilt toward the weaker end of the market. This is a very affordable market. What that means is, if any of you picked up and left to go someplace else, you would pay more for housing. Pretty much, unless you go to Camden, New Jersey, you're going to pay more for housing. That means that there is a difference between what you would pay for housing in any other market, or we could sort of say, we could describe it a little differently – there's a difference between what the Bank will lend you in this community and what you're tending to spend. The most fiscally conservative underwriting you can imagine at a local lender – there is more housing money to obtain than it costs to obtain housing here in this market – so there's a gap there.

Point 3: There's no apparent floor in your housing market. So all of you have been watching the nightly news for the last three years, watching your 401K's contract and then hopefully expand recently, watching your SEP's do the same thing, and underneath all of that, as you now, a real housing problem's nationally. The same soft floor nationally is what you have here, except that you really don't have a soft floor, there's no floor at all. That means that your trajectory for home values – there's no way that I can or anybody honest with you about a housing market can say, “what's the lowest level your housing market's going to go to?” You just don't know, but what we do know is that we can't find a floor. You can build one, but we can't find one. That means that you have falling values and the real point to falling values is that there's less reason to reinvest. It actually doesn't make sense to reinvest.

Point 4: Standards are low. Just like you don't have a floor in the housing market, you don't have a floor in your minimum standards. I'll say more about all these points later.

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Point 5: About 20% of your market is the drag. About 20% of your market is pulling you down, but that actually doesn't take the blame away or alleviate responsibility for the other 80% because about 70% of your market is tired. You've got 10% that's a market setting gold standard; at the other end you've got 20% drag in you; you've got 70% for blaming the 20% and not taking care of their own house.

Point 6: We think you have what we would call "sanctioned theft" here in town. The 20% are stealing value from the other 80% and because 70% of you all are kind of sort of taking your house, you're kind of sort of "looking the other way," and blaming the 20% and letting it happen. Roughly – this is a rough figure, it's an average figure – if Greg's not taking care of his house and I'm a next door neighbor to Greg, then the counselor is effectively diminishing my property by about \$20,000, and all of the other eight ones surrounding his property. That's how the 20% drags your market – it's a quantifiable number. It's actually \$25,106.00. But it's about \$20,000 so if you just think that number.

Point 7: Houses don't paint themselves. I spent all weekend scraping and painting the deck in my house in Virginia and I spent 16 hours wishing that the painting gremlins would come and rescue me so I could go do something else. The painting fairy did not show up. The scaffolding that goes up – somebody has to put it up. They do not paint themselves. I can't emphasize this enough.

Point 8: Don't focus on what you can't control. As we move from analysis to insights, to recommendations and implementations as you move forward – there's things you can control and things you can't control. So the Mayor who's been very helpful in helping us understand City/County relationships, City/State relationships, the law, he's been very, very helpful...is right to recognize just how unhelpful many State of New York regulations happen to be. That's true. But even if that's solved, that doesn't take care of the other problem which is "houses don't paint themselves."

Point 9: Disposition is the name of the game. Anybody understand what that means in a housing market – simplest sense? How many young homeowners do I have in here? Would you like to buy a bigger home someday? You have to be able to sell your home. If you can't sell your home – you can't move up. For every one of you who is 58 years old looking to cash out and go to Florida, that's not happening unless you can sell your house. So disposition is the name of the game in a housing market.

Finally – taxes are not the problem. Taxes are not the problem. The taxes are high – but it's not the problem. It may be a problem – but that's not the problem in your housing market.

So that's the fly-by on the big picture issues. We can pause there, flip to the slides, does that work? Slides – okay. Just one last piece. We did visit every house in town – about five times. We scored every residential structure on a scale of one-six; we took that data and we basically threw it into a sifting mechanism, an algorithm that matches with sales data, so that we could get a sense of which streets are strong, which streets are weak, which houses on which streets are strong, which houses on which streets are weak – that gives us an insight (and I'll come to that later) that gives us an insight on public policy issues. That's pretty much the basis of the

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quantitative data we did. As I said, we did love Jamestown and we do. We're not sure that enough residents of Jamestown do. We've kicked it around at meetings numerous times. There are clearly fantastic pockets of pride in this community, but the level of underinvestment makes us wonder, where's the love? I mean it's pretty inconsistent. We see it in some places, but we don't see it in enough places. What I really want to do is walk you through how to realize what we saw. Can you see how that lights up? If you can see – those are kind of standard setting properties, don't you think? How many of you want to live next door to that? You think that's all on one street? You think that's all on Barrows? Nope. There's about 625 properties across the City that look like this. So now take 625 properties like that and multiply it times 20,000 then multiply it times all the properties within half a block and you get about a 20 million dollar reduction in advalorem. When you have a 20 million dollar reduction in advalorem, you have to raise taxes elsewhere to compensate for the cost of maintaining an older infrastructure who's costs don't just decline. There's your tax problem right there: high taxes trades to lousy property ownership; so anyone that finds refuge in saying "I don't want to put a second bath in because my taxes will go up needs a wakeup call. I don't want my taxes to go up so I'm not putting a new roof on – needs a wakeup call. That's why the taxes are up. That lady there – she's paying with diminished value. So here's the question for you all. Is that your Jamestown? Is this your Jamestown? Or is this it? That's okay – I've got another one. I've got 1100 of these. Or is this? So it's really which one do you want to be? As I said, this house isn't scraping and painting itself. So you have to make a decision – it's where your market is right now. Do you want to be shrinking and disinvesting, or do you want to be stable and prideful? There's a big chunk of the community that's out there working really hard, really, really hard. About 55% of the homes that have owners who are out there leading the market and not getting a benefit of the return. Any housing policy from our point of view, any housing policy that Council would consider or that would get adopted at the City, has to ask some important questions such as who's our customer; who's the client, what problem are we trying to solve? As you go forward as a community to look at policy options and program options, our recommendation is these are your customers. If the policy doesn't work for these four folks, the policy's probably not a good policy.

Four things to do to get there: Own the status quo. My brother's a cardiologist. About every evening at 7:15 he calls me to tell me about the patients he saw that day. Invariably, once a day, someone will come in with a cigarette in their hand lit and say "I can't make it to the second floor without coughing – can you help me figure out what's going on?" Or they'll come in terribly overweight and say "I'm out of breath. Can you help me figure out what's going on?" And in communities that our firm works in, really having a firm grasp of the status quo and accepting it is an important first step in changing the market. The first important step in building a floor in the market. You have to own the status quo; you have to face reality. Part of it is to stop doing some of what you're doing and in the case of Jamestown – to start reinvestment. The way we like to describe it is like this: Get your big girl and big boy pants on, get on a ladder and start taking better care of your home. Add value to your community and stop blaming everything on taxes. If you do nothing but those three things, this market will solidify. So the status quo – where do you start? Population loss: population loss is not 18 months old. You have the same population you had when Teddy Roosevelt was President. For 60 years it's been declining – that means 60 years of not fitting, not right-sizing your market. That's a long habit to break. Flat housing values: you have a 2.14 value to income ratio. Does everyone understand

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that? Anything under 3 is affordable. Any idea what hot market would price in at – what would D.C. or San Francisco or Boston be? They're going to be 7 to 15. \$100,000 of household income buys \$300,000 in house- it's the basic rule of thumb. It buys \$280,000 a house and when these rates go back up and up, it'll buy \$250, 240 and 230.00; but for now, \$100,000 buys \$280,000 worth of home. So if you have \$100,000 and you can afford \$280,000, your ratio is 2.14, you have a gap there. It's a huge affordability gap, and I've already mentioned the standards. That's an issue on the status quo.

Now let's get the population loss. Why does population loss matter? But here's where it gets kind of interesting. Now you're in an unlevel playing field – City/County relations, the nature of land use gives you an unlevel playing field, but that is separate and distinct from whether or not you're up on a ladder on a Saturday scraping paint. When you have a very low value to income ratio, what happens? Demand is here; demand drops. When demand drops, what happens to prices? Prices drop. When prices drop what happens to affordability? Affordability goes up. When affordability goes up, what happens to the probability of attracting more and more struggling families? What happens to your capacity to attract more and more strong families? It goes down. Your competitiveness goes down. When you have falling values, you have less advalorem and correct me if I'm wrong if it's changed since then – but you're pretty close to constitutional taxing authority right now. You don't have a lot of room to go, if any at all. So how do you dig your way out of this? You grow your advalorem. We went through, as I said, and scored all the properties. So we evaluated on a scale of 1 to 6, 1 being very excellent, and a market leader, the structural integrity and the marketability of your homes, and at the top of the market your ones are averaging a \$71,000 market value. They go all the way up to \$200,000, but they average \$71,000. And at the bottom of the market, you're at \$11,000.00. So you can clearly see that as the quality of the structure goes down so does its marketability. And as I pointed out, that's worth about \$25,000,000 in value to the City. If you wanted to sell your house in Jamestown, the median price you're likely to fetch is about \$56,000, or was about a year ago. If you're near a distressed piece of property, you're looking at getting half that. So you could have a 1912 wooden frame, wooden four square in perfect condition across the street from a distressed property, and be missing \$25,000 in value. Now, interestingly and importantly, those distressed properties aren't all confined in one part of town. They do concentrate around town – there's no question. Jamestown grew concentrically. It's a good rule of thumb that the older the house, the weaker the structural integrity, the weaker the condition and the lower the market value. The house built in 1970 is worth a lot more than a house built in 1960, 50, 40, etc. There are a couple of blips in the 1930's and '40's, but by and large, that's true. But though most of the older housing is concentrated in the center and along a few key corridors and though most of the really troubled housing does have some pockets, the more important truth is 90% of the blocks in town have at least two properties that scored on the bottom half of the scale. So you've got 10% of the market standard setting, beautiful homes. 20% of the market dragging – toxic marriages between reprobate landlords and lousy tenants; 20% there and a handful of owner-occupied problem properties 70%, sometimes taking care of it, sometimes not taking care of it. By the way you look at the same picture is when you lay all those houses across the community, 90% of the blocks have at least two troubled properties on the street. So you can go to a great block on Hallock and you're going to find houses in increasing risk today because of the transition that's taking place on otherwise strong blocks – for instance on the west side.

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That's the disposition issue. Owners becoming renters, good renters becoming lousy renters, it's a slow migration down.

What happens when you have a higher advalorem and a fixed budget is that your mill rate goes down. But also something happens when you have a firm floor in a housing market. When housing values are rising, even if slowly, people take bets on those homes and they're willing to reinvest. It makes more sense to do so – 50 bucks, 80 bucks, small amounts. When that happens, more and more strong families will choose the city as opposed to the county. You'll be in a more competitive position. Over time, the cost of services and service delivery in the City goes down; so not only do you have more to work with, but your cost of services goes down. Not the cost of maintaining an older infrastructure, but human service maintenance costs. Your program costs go down. There are really sort of three habits to break: bad rental property owner behavior – it will not fix itself. You cannot wish it away. The market is soft enough that rental property becomes an extraction industry all by itself where it's logical to buy a lousy piece of property, bleed it to the ground, extract cash flow and walk away. It actually becomes logical to do that at a certain point. Wherever one's moral compass may be, it actually is reasonable business sense. So what you want to do is recognize that that problem won't fix itself. Disinvesting in your own properties: we looked at incomes across the...another slide will speak to this...City of Jamestown – highs and lows and every income cohort on the demand side. We looked at housing values across the supply side and when we line them up and apply a very conservative filter to them, (and part of the filter is how affordable the market is) one of our conclusions is the average family in Jamestown – average – has about \$90.00 extra a month that in any other market would go toward housing. At higher income homeowners, it's as much as \$250-300 more a month. Lower income renters – it's as low as \$14.00 extra a month. That's after utilities, in a heavy winter and after property taxes. That's extra housing dollars that are going for any number of things. We don't know what they're going for. We have guesses that we can take looking at certain spending habits, certain home data, we can kind of play around and guess some things where you look at some credit scores, second and third cars, vacations...what have you...but it's not going into housing. On average, that's \$1,000 per year per family; and at \$1,000 per year per family, in a zero sum game isn't going into housing. So that's some 6,500 structures at a minimum not getting somewhere between \$750 and \$1250 a year in upgrades and ongoing maintenance. That's a lot of withheld investment. So if we go back to the first point I made earlier, you have an isolated market; what you don't have the luxury of doing is relying on a high cost neighbor just over the town line to look at your declining property values as a buy-low opportunity to come in and fix up a place. You can only rely on yourselves. That's not a bad thing – there's thousands of isolated powerful markets across the country, but when you're very affordable and when those excess dollars aren't going back into the house and you're isolated, you have a cycle that has to get broken.

The third habit to stop doing is really less one that citizens do that is a matter of public policy – and that's stop concentrating your poverty households, and I can speak to that a little bit later.

Bad Rental Property Owner Behavior – as I said, it's not going to fix itself, you're going to need local legislation; you're going to need statutes with teeth and there's just no getting around that. We have tried every way we can to look at a market fix for this. We don't think that there's a pure market fix to this. Market kind of makes sense for slum landlords to do business in

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Jamestown at the bottom of the market right now. There has to be a policy intervention. Not all your landlords are private sector reprobates. Far be it from me to suggest the County is there, but the fact of the matter is that the County is a large property owner of problem properties in the City; and if that doesn't get fixed, whether it's big p or small p politics, it's an 800 lb. elephant that you have to deal with. Let's go back to that earlier point though – control the things you can control. If 90% of the blocks have at least two problem properties on them, we've got a lot of other fish to fry even if we weren't able to solve some of these other problems.

The most important advice that we can give about what you should stop doing though, is stop thinking of Jamestown as a failed place. We went through years of letters to the editor and more recent, sort of in a vitriol online and columns in the local newspaper, in our discussions with citizens, and our walks through the streets and talking with homeowners and renters – there's a pervasive sense that this is a failed market. We lost industrial jobs and there is kind of a “hang dog feeling” that we couldn't rationalize. We see but we would suggest that it's something to think about because it's an extraordinary community. The setting, as the report details, this setting, the affordability you have, the beautiful architecture you've got, very strong public school system, left us concluding frankly, that there are huge marketable assets here that are being sort of forcing the City as a community to fight with one hand tied behind its back and part of that is how you view yourselves. We don't see it as a failed place at all. As I said, 70% of the properties while they can stand to be dressed up, are not the drag on the market. So what you need to do more of and start doing: locate the excess capacity in monthly budgets; reinvest more time and money in your own home and start to work with neighbors in your own part of town.

How do we see it rolling up? The real work is building a floor in the housing market. It's not going to happen simply through tax tricks. It won't happen through Code Enforcement by itself. It won't happen through a landlord registration statute by itself. It won't happen through aggressive high quality non-profit acquisition and rehab by itself. It's rather a collection of interventions that have to occur across the public and private sector spectrum. What we're really trying to do is break this cycle to the point where it begins to make sense to invest in your home. So one of the things that we were able to do when we went through the statistics, we found some pretty important data. Rock solid data. A second bath in Jamestown will add about \$11,000 to the value of a home. Why does that become important? Because if there's a young buyer out there who's thinking of having a young start-up family, they want a second bath. They're going to look to the County; they're going to look to Warren; they're going to go someplace else. It's the smart thing to do. Why buy a one bathroom house when you want two and you think the values are going to go down? Why would you do that? So we've got to step in there; but it turns out that actually there's a lot of value to doing that and on some streets it's as much as \$25,000 in Jamestown. Now there are some streets where a second bath is going to put \$500.00 in the value of the house. There's no question you've got weak streets where that's not going to make good sense. But it also turns out, you can put a second bath in for about \$10,000.00 so the value goes up roughly in proportion to what it's going to cost. It also turns out that \$90-110.00 a month pays off that loan. There's no getting around the fact any longer that distressed property is a drag on the market and we've quantified it. So this becomes data that you've got. We can talk about it if it helps later, but what this really does is that it provides fuel to sales. It begins to address your disposition issue. Two tools you have: We've turned over now to our clients – the JRC, The City in partnership and the Task Force, a house-by-house and street-by-street guide.

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So the City now has...when I say “the city,” I don’t mean City government,...I mean the community. The community now has a really important road map that basically says “if we only had a million dollars – where should we spend it?” Should we spend it taking down abandoned homes? Should we spend it fixing up medium level houses – take them to a higher standard? Where should we allocate our dollars? We’ve turned over to the community a street by street assessment of whether or not it makes sense to put money on the street, so that if you had ten million dollars – you could make a rationalized decision; if you had a million dollars you could make a rationalized decision; if you had a half million dollars, you could make a rationalized decision. Where’s the low-hanging fruit? Where to you get the greatest return for a limited amount of dollars? That guide is in many ways is the Plan Book to follow. But underneath that guide book are some pretty hard choices that have to get made.

First, you’re never going to have enough money to take care of every single property that has to come down. That means selective demolition. That means some streets where it may make emotional sense to pull a house down, might not make market sense. You’ll have to make hard choices.

Secondly, most communities in weak market situations tend to think that the way you dig yourself out of this soft bottom market is to spend all your money fixing problems. Nothing can be further from the truth. The way you stabilize a market is you figure out where things work and you do more of them. You look at a street like that and you ask yourself “what’s going on here that’s strong and stable and making sense and how could we do more of it one block off of that?” You get much more resilience in the market by putting scarce dollars there then you do fixing problems on a really difficult street. You don’t have to make it an either/or decision either. It’s a little of both and the strategy makes clear that you do want a little of both particularly because many of your gateways actually are streets that are neither in real trouble nor really solid – they’re kind of in between; but your in between streets are declining and trending downwards. So in addition to working on streets where things are working well, you also want a lot of activity on gateway streets. What we’ve recommended are really a couple of sort of high level...and I’ll go through at a high level right now. One is to incent desired actions and behaviors? So it’s more upgrading assistance, tax benefits which you already have had a really good handle on, recognition, partnership, signals of support, strategic resource use and a call out to assist good landlords. That’s about 80% of what you want to do. This would be called “carrots.” On the stick side which is about 20% of your effort, you really want to be licensing and regulating rental property, the tax penalties have to be somewhat severe; the Code Enforcement has to become not more Code Enforcement, that’s always good. It has to be understandable, legible, accessible to the average person. Why is this house up and that house isn’t? The market is looking for cues - it’s looking for signals; why should I invest on this street or that street? They’re going to take their cues from all sorts of behaviors. One of them is: why was this house condemned in ’04 and it’s still standing? That’s not an indictment of the City. The City has its hands full. It’s really about the issue of predictability. But that’s still only 20%. So 80% is incenting that guy on the ladder. The best use of philanthropic dollars, federal dollars that pass through the City, City tax dollars, is to give him some paint. The best use of resources is to pay for that guy’s scaffolding so he’s not up on a 34’ ladder. That’s the salt of the earth guy. That’s Jamestown. That’s your guy. You lose him – you lose the market. You want to do everything you can to have him up there fixing that after every winter. This is an easy target. It

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is drag on the market – it’s a huge drag on the market. But if you only do this and don’t tend to this, the market won’t shift. Some parts of the city really need more attention than others. Interest rates are going to go through the roof. We’re looking at double digit interest rates and I don’t know any analyst who’s not thinking that the interest rates in 87, 88 and 89 are looking pretty good now and construction was at 15, 16, 18 and 19%. We are staring down the barrel of a very high interest rate gun in the next five years. So I don’t know that you have an opportunity here; I don’t know that you have the maneuvering room. I don’t know who amongst you is from City Council, but I’ve got to tell you if you don’t break the legs of reprobate landlords, you are really hurting your market. I mean, you’ve got to break the legs and if you don’t find a way to channel dollars to that guy, you’re killing your market. It’s not guess work anymore. We’ve crunched the numbers for you. It’s very clear. Every time we get hired by a city, and I’ll end on this note. Every time we get hired by a city, that is what I call a strong hot market city, we go into Santa Fe, sit down with the Mayor, Council, anybody in position of authority and one of the first things they say to us is “anything we can do to help?” That’s pretty much it. It’s pretty pro-forma – what can we do to help? Do you know who you’re supposed to work with? That’s largely because they’ve already got it baked and worked out in their heads. They’ve hired an outside consultant, not to tell them anything new, but just to give them political cover to actually do what they’ve got to do. But they’ve already lined up the small p ducks.

If you go to a struggling market, you also get pulled aside by the Mayor or City Council or somebody in a position of authority and invariably, they tell you the same thing – all the soft markets tell you the same thing. They say “whatever it is you do, don’t give me a report that sits on the shelf and gathers dust.” It’s the common theme of soft markets. It’s not that the consultants haven’t delivered good reports – I went through 20 years of housing reports here. You didn’t need me to do another housing report. I mean you did – but you didn’t. They’re gathering dust not because the statistics weren’t fully cooked. It’s because of the community’s resolve to act on it wasn’t grown. So what we try to do – what I’m trying to say here – is I’m trying to say “put the cigarette out and then we can talk about how to get you to the second floor without being out of breath.” It’s okay with me if this sits on the shelf and gets dust ‘cause the Gebbie Foundation was kind enough to close our books on this. But I don’t think you want to do that. I really think that we haven’t painted you into a corner because we don’t want you snapping at us like a pissed-off dog, but we’ve given you very little maneuvering room statistically. You have to act. I’ll take questions or I’ll go get dinner. Thank you.

Council President Rabb: If anybody would like to ask questions or make a comment, you can either come up and use this microphone or there’s another one over there. Please tell us who you are and the address of your residence before you ask your question or make your comment. Is there anyone who would like to speak?

Adam Irgang, 155 Park Street near Fletcher School: You mentioned about having maybe a house or two on your street that is maybe in poor condition or poorer condition than...

Mr. Buki: ...bottom half of the scale...

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Mr. Irgang: We talked about being a homeowner on that street like how would I as like being a neighbor of a lower standard house and help improve that...do you have any suggestions?

Mr. Buki: Probably it's less than you doing something about that person's house than what we've learned over the past 20-22 years is that let's say your house on a scale of 1-6, 1 being just superbly a well maintained home, marketable, ready to go. Ready to sell. Sells at or above median within 30 days. Let's say you're a two which would be 70% of the City would be a two or a three sitting in that sort of rough middle. But that neighbor dragging you down is a three or a four. That three or four will likely become a two or three when you become a one.

Mr. Irgang: So I can bring up the value of that home by bringing up the value of my home?

Mr. Buki: What it will do is you will induce, over time, you will begin to induce that home inch up just a little – not by itself – something else has to happen; and what happens elsewhere is sometimes three and fours on blocks like you're mentioning, are threes and fours not because of...sometimes there's threes and fours because somebody is...they've dug their heels in and they don't want to do it. They belong to the Confederate...they have a Confederate flag up – whatever...so but sometimes it's somebody who's 61 years old and a widow and they can't get on a ladder; so what we did when we scored properties, was we really looked pretty carefully to figure out were properties actually owned by somebody or lived in by somebody who's really trying to take care of it evidenced by the lawn being cut, but it scores a three evidenced by the gutters and downspouts having an ice dam in there and it didn't get repaired for the last three years. By going back several times, we begin to figure out is this someone who simply can't get up there? In that case, helping them out doesn't cost much at all. It moves them from a four to a three while you're moving your property from a two to a one – you're moving that entire average of that street up a notch so that your \$61,000 house will likely market for \$71,000.00. That's what we're trying to do here. It's lots of somewhat surgically precise interventions on a block-by-block basis. Having said that, that won't work on every block in town. There are some blocks that are too far gone and the only market there is a dysfunctional market, so that's a different market condition all together. But on your block, that's what I would recommend. And in the report, you can find your street and it'll be in there.

Dennis Moore, 1109 W. 3rd Street: One of the concerns is the number of people who want to live on streets are now living in subsidized senior housing. As her tax abatement in Pennsylvania, no big deal, New York State, astronomical, crazy. New York State regulations for doing work on a house or painting a house are totally insane. Now these are things that could be corrected, our legislators in the State... - they're idiots. There's too many of them. They don't have enough to do so they want to keep busy and they're protecting me and all of you from what? I don't know. I know there's problems. A child six years or under, I had the experience, once upon a time, with one of my rentals. That's another long story too and a sad story, waste of time, waste of money as it turns out. But my point is – too much government, too many regulations, they don't have them across in Pennsylvania where I used to live – and I don't think we need them.

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Councilman Mike Taylor, 10 W. 5th St.: I very much recognize some of those houses up there, in particular, and had a few phone calls on some of those various houses as well. My question is – considering granted each jurisdiction, each city, each municipality has different laws, restrictions on the state and things like that, are you able to give us maybe an example of one or two cities who have (maybe the similar size of Jamestown) similar issues who have actually implemented your suggestions and reports? Do you have a few cities or examples you could give us who just implemented these things and it shows an improvement and a turn-around in those towns or cities?

Mr. Buki: I'm going to give you an answer that you're really not going to like. So with respect...so the answer's yes, but it's a "yes/and." So hallmark one of weak cities is to say whatever you do, don't let this become another report with dust on it. As I'm leaving the Mayor's office, the Mayor usually then grabs me...this is leading at the end of the report...and says "tell us where else it's been done because we'd like to know where it's been tested first." So we can give you that. Battle Creek, Michigan and Bridgeport, Connecticut and Saginaw, Michigan...so we can give you that list of places with similar statute implementation and market changes. But the underlying DNA of weak markets is first to go to the hurdle – not to make the assumption that regardless of the hurdle I'm going forward. I was just in Park City, Utah – we just finished doing their comprehensive plan. Park City, Utah hosted the Winter Olympics two cycles ago. 40 years ago (that's inside your 60 year window) Park City, Utah had 19% unemployment. Silver mines shut down. It was dead – it's finished. It bore no resemblance in 1968 to the town that today hosted the Olympics two cycles ago and today hosts Sundance. When I was in Park City doing their comprehensive plan six months ago, the issue that we were tackling in the comprehensive plan was carbon footprint. Mayor and Council didn't want to know which cities did it already. They instructed the General Counsel to craft an aggressive argument that would thwart the State Legislature's rebuttal to Park City wanting to get out front of this environmental issue. So part A to the answer is: yes – it's been done. You can feel confident about that, in New York and elsewhere. But B – the larger issue is: what's the community's knee-jerk reaction – not negative when I say "knee-jerk" – but default reaction to a challenge? You've got to be more aggressive. You've got to be much more aggressive here. Don't take a defensive posture. Where's it been done so we can get around the New York State Assembly? The psychology of that will trap you when you actually have to confront the Dillon Rule, or whatever else it is that you've got to battle at the Assembly. So – yes – good question – but be mindful, I think, of that underlying issue.

Peter Morgante, 134 Euclid Ave.: I don't know where you get your figures but it's been proven that Jamestown in the southern part of Chautauqua County is the highest taxes, the oldest population and the lowest income of the whole State, and a matter of fact – the whole country. Now where do you get your figures you're talking about that people can buy houses when we can't. We can't even afford the ones we've got now and you brought up a good point where you says the "widowers today." The widowers are the ones that own the houses today and they can't sell them. Now today it was reported that in Buffalo and in the Buffalo paper and Cummins Engine in Ashville, they've told their executives "don't expect to buy a company house because you won't be able to sell it in case you get transferred, and we won't hold the mortgages." We've got people in the City of Jamestown who have lost their jobs and can't move

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away because they can't sell their houses. And one was the one at the Civic Center and the other one was the guy who ran the BPU and they're still here – they can't even move out of the city because they've got their houses and they're too expensive and they can't sell them. Now, owning property used to be a right or a privilege and we enjoyed owning our property; but today you can't afford to own a property. I don't care how much money you make. Just think today - \$1,000 extra as a single person – housing insurance - \$1,000 extra cable and telephone services – automobile insurance is going up. Health insurance is up. Everything is going up except the incomes. You know the income keeps going down and down and down, and the senior citizens aren't going to get a raise, and no promise of any for another two or three years and when they do get that raise, of any amount, the insurances go up for everything else. Now in case you haven't noticed it, today gasoline went up to \$3.00 and now it's at \$3.00 a gallon. It's going to keep going up, and where are we going to get the disposable income to pay for this? Now, you talk about fixing up your properties, we're in an inflation thing. Has anybody gone out and priced the materials to fix anything? It keeps going up and where are you supposed to get the money or the labor to do it? There isn't any. There's no more disposable incomes for the senior citizen people. They used to be the backbone of everything. But now, we are getting stuck like everybody else; and I always ask a couple when I see these retired people and I ask the woman "what are you going to do when your husband dies?" What? You'll only be getting a Social Security check. And then all of a sudden they start getting scared and that's why you're going to see all the women basically into these high rise compounds there where they don't have to worry about taxes and everything else. And their incomes are frozen. And this is what is happening. People in Jamestown are not going to be able to hold onto our houses anymore. We're holding on because we don't have any place to go.

Tami Downey, 2020 Riverside Road, and Woodlawn Apts., owner and President of the REIA: The question I have is you had on there about landlords and I understand where you're coming from really – we all do. But on the plus side, you had said call out and assist good landlords. Would you suggest that besides licensing registration and strictly enforcing Code which is not being done, what else can the landlords do to help the City and help the neighborhoods? Would one of those things be putting greater responsibility and stricter responsibility on the tenants themselves- not just on the landlords - to back us up with our problems with our tenants?

Mr. Buki: I'm actually really grateful that you raise that question because in the risk of summarizing a report is that you use broad brush strokes, so this is a really important point to get right. Landlords fall into two categories – lousy landlords and good landlords. There are shades of grey - just like homeowners, just like everybody else, there are shades of grey. There are plenty of really strong public and private sector and non-profit sector landlords in Jamestown. They have to be differentiated from a percentage of rental property owners, multi-family and single family, who are a drag on the market. So it is very important to separate them out. Just like you want to incent really good residents who own their home, we would recommend financial and regulatory incentives to help strong landlords. So I would consider modified tax structure for strong landlords; I would consider landlords (which is spelled out in the report) who...I would urge you to have a very high standard, but anybody who's on the right side of this standard, gets inspected less frequently and has registration fees go as close to zero as possible. So we have to look at costs, but by in large, you would be a carrot and stick approach.

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On one side of the line it should be without question, fewer inspections – perhaps every three years instead of every two years or every year – perhaps even every four if you had two consecutive favorable inspections – you get bumped and don't get inspected at all for several years. Those would be the broad brush strokes on that.

As for the landlord/tenant issues: I don't know whether there are master leases in effect; what you have for the entirety of the City, but I do think by and large, that you also have to look at tenants, not as all bad, or as all good – that they run the spectrum as well. What tends to happen in rental property in older markets is good landlords don't tend to find bad tenants. They sometimes wind up with a bad tenant, but they don't tend to get in bed with them. You have toxic marriages of bad landlords and bad tenants is the most frequent; then you have a bad landlord who sometimes gets a good tenant; then you have a good landlord who sometimes gets a bad tenant. When you have a good landlord with a bad tenant, you've got to help the landlord get rid of the bad tenant. So I think it's important to recognize that there's a spectrum in a scale for owners and a spectrum in a scale for whether its owner/occupants or landlords. Same applies for tenants. When you have the coincidence of a good landlord and a lousy tenant – it's the exception not the rule – without question the City's posture is to help move the tenant along. There's no question – not in my mind in any case. Does that answer your question?

Ms. Downey: Yes.

Mr. Buki: Now the way I would recommend treating it is I would treat rental property like you treat a restaurant: it's a business. I would inspect it just like you'd inspect a restaurant. That's how I would tend to recommend it. You want to own an apartment. Fine. You inherit your brother's house. Do you want to rent it out? Fine. You register it; it gets inspected; it gets inspected regularly; you fail the inspection – you can't rent it – it's fairly simple. So that's how I would treat it. And I don't think it's...and any less than that is probably going to weaken your market.

Doug Champ, 225 Bowen Street: Many problems in this City have evolved over a long period of time and it's not going to be something we're going to correct overnight. Issues such as zoning when we kind of let zoning kind of deteriorate over time where R-1 zones became R-3 zones and that kind of issue leads to deterioration in housing fairly rapidly over a period of time. So we need to take a look at how that kind of process took place. By allowing it to happen and how we can stop it from happening. So the Code Enforcement program in the City of Jamestown can be judged on where we're at now, but it also can be judged as to where we're going with it. So how do we get there? What do we do as a City to enforce our Code Enforcement programs? Do homeowners take a look at what standard housing is; do they understand what it is? Do they know how it works? Do they know what is required when they actually have to do home improvements, or do they rely on a contractor which they put good faith in? So all of these things come into play to develop that equation so we get out of this perfect storm in Jamestown where we don't have the right boat; we don't know how to direct it; we don't know where to go. Also, for many, many years a community development program, emphasizes low and moderate income so the person whose median income is higher than what's eligible receives very little assistance. They're not allowed to participate in the program so the only program they have is their own financial incentives which they can make available to

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themselves and where does that come from? Private capital? Personal capital? Maybe. But then also when we make those improvements how is that judged? We just recently went through a full value assessment in the City. 100% value assessment. Based on determining how much value the City is? Now if somebody improves their property, are they worried about that assessment going up? They put in that half bath and all of a sudden, the value of a half bath usually is from \$1500 up. So automatically that assessment is going to have a value to it above what your value is. Now maybe that improvement is \$11,000 over time if somebody needs that property. But what I want to know is where the vehicle is in this City? How is City Council going to change it? And how are we as citizens going to force City Council to do better and how are we going to do better in our homes? Because also, there is very little possibility in this City to create buildable residential lots on existing lots. It just doesn't meet the standards now today. So the type of buildings and homes that were made years ago – and remember the clapboard houses that we have are all pre-1940...they require constant maintenance over time. The technology is difficult, but it can be done, but it requires constant maintenance. So if we don't create a buildable parcel within the City, maybe a whole new concept of housing. A type of house where people can afford that's new. You'll never be able to rehabilitate a home that's valued at \$40,000 and then all of a sudden put \$35,000 more into it to try to make it suitable for your family to live in. So I'd like to see how the consultant is going to challenge the residents and the City Council to take this application that you provided and let's go forward with it.

Mr. Buki: I think those are really good points that you have raised. Underneath the questions as I hear them and underneath the data, is that you have an issue of a mismatch in size. The infrastructure in this City, the number of homes built on buildable lots at the time that they were built; the continuation of the building trends all adding supplies as population is diminishing all speak to a larger...a medi-challenge of rightsizing. That means that probably over the course of time, 800-1000 structures have to come out. Roughly. That's a tremendous in-fill opportunity, but one that won't get revealed instantly, and from a market point of view, what you don't want is a checkerboard with 500 properties edited out here like this – one at a time – if from a master developer point of view, we have the opportunity to edit let's say 16 properties here, 4 here, 9 here, 11 here. If we can be smart about which ones we edit out, then we'd have two opportunities. Now we have infill but we also have...we changed the math, the negative equity math on the adjoining properties that do cost \$30,000 to buy and \$50,000 to upgrade making it an \$80,000 investment in a \$56,000 market where you're down \$25,000 before you start. That math changes if it adjoins an infill opportunity so if we're smart on infill, now we can do rehab and new construction at the same time. The key though is that you probably aren't in a position to add new units without smartly removing some units. By in large, I don't know what the exact math would be unless I went back through the data again, but I'd say for every five units you want to put in, you've got to take out 12. You've got to be down 7 for awhile. That's roughly the proportions I would be thinking about. And as you begin doing that editing and then doing that infill, I think that's where you change the equation in another way. The imperative for the second bath is a supply problem issue. A lot of people don't want an older home even if it has a second bath. Even an older home priced perfectly can scare the heck out of people who are looking at sanding floors and getting contractors in there and dealing with asbestos in the basement and God knows what else is in the basement. A lot of folks look at that and they think – that's a great house – I can afford it- no way; or one member falls in love with it only to show it to their spouse or their mother-in-law and it's like you're not passing any kind of

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test. So you do have a new product need in town. The trick is from a counselor point of view, from a Planning Commission point of view, you don't want new product unless you're taking old product out and you don't want to edit out older property in a hopscotch way, you want to edit it out in clusters and chunks that make sense; and you don't want just clustered removal – it has to be removal on the right block. So let's take a good whipping boy on Swede Hill. That's not where we want to do anymore housing. It's an easy place to do it because we can edit out 200 properties like that; but now I've got \$250.00 sq. ft. construction costs because I've got to deal with the grade. Why would I do that when I've got an opportunity to do something on the north side and edit out half of the volume of properties and move the entire market? So from a strategic point of view, the opportunities are somewhat endless. It also happens that you have non-profits in town with high capacity and so thinking through how to grow their capacity and marry that capacity to the City's housing and community development efforts is where part of the report...part of the attention of the report is speaking to the issue of a vehicle to do that work and I think that's really the next stage in who's going to think strategically then where's the execution capacity. Is it with private, public, is it non-profit, is it a marriage – I think that's the next conversation, but from a strategy point of view, I think you're exactly right.

Paul Bentley, 217 Arlington Ave.: I just wondered if we might be able to hear from some of our City Council members that are present what the plans are among our elected leadership now to see that this report doesn't just gather dust on a shelf.

President Rabb: I guess I can't turn that question over to Charles, can I? I can only speak for one council member. I would not speak for my eight colleagues. They all can speak for themselves as well, if not better than I can, on a lot of these issues. Let me say this publicly. I've had the chance to read Charles' Plan. I know – I shouldn't call it Charles' Plan, I don't know what I'll call it – Sylvia's plan...my good friend. I've had a chance to read it; I've had a chance to talk with Charles about it as has the Mayor. I'm personally committed to moving this forward and seeing it implemented and if I don't do that, you can hold me accountable if I should choose to run in November of 2011. I don't know how to make it anymore clear. I have the pleasure of Co-Chairing Strategic Planning for the City, along with Jennifer Harkness; she represents the private sector – I represent the public sector. This Plan grew out of a Neighborhood Housing Task Force headed by Len Faulk. I won't go into all the boring details from behind the scenes because we would be here all night and I'd put you all to sleep, but I have tried my best since I joined the Council to keep this moving forward to getting it to the point where we are tonight. So I personally am pledged to getting this moving. If you go back to my remarks on January 4th when we all got sworn in again, there weren't as many of you as there are today...which I decided was because of the weather...but at that point, I had said to the Chair of our Housing Committee Paul Whitford who's sitting in the back, one of our Council members, that one of the things I was looking to the Housing Committee to do was to not only receive this Plan, but after we get feedback from the Public which tonight is the very first step, get approval from the Planning Commission which is chaired by Martha Zenns, my good friend and colleague, that we're going to get this done. It's not going to be easy. In fact, I think we're going to fail a few times but that's okay, we're just going to keep moving and we're going to do what we have to do and I'm hoping that my Council colleagues will join with me. Sometimes they do, sometimes they don't. They're all independent, intelligent people, but I'm hoping that they can come along and we can agree and

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get this done. So I guess I hope that's the answer you're looking for. I want to get this done. This is my goal and it's not going to happen overnight; but my own personal goal currently as a Council member is to get this done. I wish I could have turned to Charles for that one.

Michael Baker, 429 Stowe Street: Just a comment and two quick questions. I had the perspective of living in the New York City area for the last four years and I think that probably our biggest advantage that some people might look at as a disadvantage is our size. You know, you say we're an isolated community and an isolated market. You look at it as a way of a place like New York or Buffalo or Rochester, big cities that have the same similar problems. They're a huge ship, and a lot of people are on that ship. Sometimes in turning that ship it takes quite a bit to turn it – it's not easy to turn it. We are a small ship. We need to use that as our strength that while it is going to take a lot of hard work, a lot of plans and work by people in the community, you need to look at it that way and that's a way that it's an advantage to us being small. Then the question I had was you said that one of the biggest problems with the landlords in this County is the County itself, or in Jamestown is the County itself. Is there any recourse that we would have as citizens, the City Council can't control things going on in Albany. Is there anything that can be done on that end?

President Rabb: You could put my County Legislator on the spot to answer that – not that I've tried to send blame around, but I think that's a great question for the County.

Lori Cornell: Thank you very much. I was recently elected this past November, and one of the issues on which I ran was the issue of neighborhood revitalization and I'm just so thrilled to be here today to listen to this report and I'm anxiously awaiting the end when I'm going to hit Charles up with some more questions in answering that exact question of what County government can be doing more of. We're on the brink right now in County government in dealing with the City's tax foreclosure issue which has long plagued exactly that problem. That has been the responsible factor for why so many of our homes in Jamestown have been on the roles doing nothing for year after year after year. So I actually was just tasked with the leadership role last week by our County Administration to serve as the liaison between the City and County governments in negotiating the best deal possible for our community. I serve in the County Legislature, but I represent Jamestown and so I'd love to hear more from all of you afterward in how I can best pursue, not just this issue – the foreclosure issue – but all issues related to how we can best move forward in this Plan and taking what advice has been given toward moving it forward at the County level as well as the City level. Maybe more of a City/County partnership I think...just an idea that occurred to me a couple moments ago sitting there – I think why not get all of us sitting at the table at a little bit more of a comprehensive level. I think we need to have even State players at the table – let's get the private foundations that are already so admirably and at such high levels involved at the table with City, County and State players and let's make this happen. Charles talked about the things that we can control, but we have all the players. We do have all the control – let's move forward. My predecessor actually worked for four years – I'm just taking office now in January, but my predecessor whom I happen to know a little bit...he actually had the chance to work much more extensively in his four years in office so he can shed a lot more light than I can at this point on some important initiatives taken at the County. A lot of good work he did, a lot of good things that he tried to do that would make a difference in addressing many of these problems that we were not yet able to

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grasp ahold of – citizens and elected officials yet – and a lot of the initiatives that Chuck had put forth during his tenure, his four years, are things that should be moved forward in accordance with exactly what Charles said. Talk about those.

Chuck Cornell, 20 Dewey Place: I just have a quick question. I read through the report and I was wondering what...we had some discussion on this...what role do you see for a grassroots housing organization? North Side Pride – Mr. Doverspike's here tonight – who's the President of that. I've been able to watch a group of citizens really do wonders in their community, their block, and just from reading your report, what kind of a role do you see if other neighborhood organizations like North Side Pride pop up – citizens who are painting and doing the very things that you talked about – is that critical to this Plan succeeding?

Mr. Buki: Yes. The short answer's yes. Your short answer is that the community really is full of a lot of folks who...even if our math says \$100.00, they might put in 27 and if you max 27, now you've got \$60.00 to play with a month. So now that's \$700 or \$800 a year. At that level really figuring out – City Council probably can't figure out the answers to two questions on a house-by-house basis the way a grassroots organization can. What's the capacity of the owner and what's the willingness of the owner? Those are the two problems to solve for – not as a problem – but they're two problems that we have to address; and a grassroots organization like North Side Pride is exactly what you want to work on a specific street with resources that they have access to, to incent some property owners to do more of what they're doing, identify some owners who would do something, but can't; what's the hurdle rate? What do we have to clear? Is it just a ladder? It might be one \$390.00 ladder from Lowe's for the whole street. So that level of organizing and attention to the specific capacity and willingness issues on a house-by-house basis, is critical. The strategic answer to the question is “not on every block.” We don't have enough money to hit every household. We don't have enough human infrastructure to populate 15 organizations. We probably have enough human infrastructure to do it well in four or five areas. Now we have to be smart about where. So the answer is more is better, now let's be smart about where we do it. And I would think any thrust that didn't grow more of that would be missing a central piece of what we have to do here in town – without question. Absolutely. When you take down a house in the City, it costs this much money. Part of that cost is labor. Part of that cost is “where do I put the old house that's now in a pile?” Well, I can't really...I've got to go outside of the City to put it someplace and it costs some money to put it in that place. Cutting and getting a deal with the County, for instance, to drop that as close to zero as possible becomes a game changer, because now not only instead of \$50,000 to take out a property, it's \$40,000 to take out a property and if I've got to take out 500 properties, the math changes radically because I've just knocked out 20% of the cost. So the County has to ask itself a question – “do I have to get revenue from this particular thing?” Not getting revenue isn't losing revenue on a landfill. But it could be a game changer to stabilize the market. Get the right heads at the table and we have a dozen of those things and now we can start taking demolition costs from 48 to 18 and we can really, I think, change the math a little bit. That would be how I would tackle it.

Len Faulk, 155 Myrtle Street: I came here tonight thinking about connections. 155 Myrtle is as close to 155 Park – right? That's what this is all about is making connections and the things are interconnected and we need to make some connections. One of the

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recommendations in the report and part of the connection I think all of you can make is to read the report. It's online at the Jamestown Renaissance Corporation. It's on The Post-Journal site. Make that connection – that's important. But I guess for us out there living in neighborhoods, blocks and cities, those are the really important connections to make and we haven't done that in the past. Even on good blocks there are properties that aren't up to par and one of the things that is probably the most important that I've learned in communities is that one person usually can't do it alone. The best way to make change is to get groups together because that group provides the strength, the ideas, the power to do the next steps. One of the things that's recommended is adopting homes where seniors, disabled people live, and you could sponsor that home and get the neighborhoods to fix it up. There are some homes where that may not be the case. I made a connection 15 months ago – I heard about a planner who had a reputation as being one of the leading neighborhood planners for healthy neighborhoods in the country. I think we found out that that reputation holds and Charles – thank you very much for what you've done for our community.

Frank Bessey, 269 Prospect Street: I'm 34 years old and I bought a house last year and I just want to stand before the public here and state that I don't care about too much the concerns of the old. I know a lot of young people that don't care. What I care about is this beautiful City – there are a lot of bricks, near a beautiful lake with great trees, with great people – that's what I care about. I hope more of you care about that so that the people that can no longer care for this City, that have left this City, can like care for it. I'm just glad that people are here. I'm not connected with as many people as I would like to be, so if you want to call me up; I'm available most evenings – I don't work too early – I'm fairly new to the community but I've met some great, important people and one of the things that someone brought up was "what's the Council going to do?" I've been to a few City Council meetings and I can tell you for those who haven't been there, there's a lot of empty seats. A lot. So there's plenty of room for you to come here and ask the City Council "what are you doing this month?" "What are you doing this week, what are you doing this year to make this Plan move?" Come to the meeting - I'll pick you up. I really will. I also have an extension ladder. So I guess I'll just ask the community - just let me know if you need any help, let me know where to go. I've met Len a couple of times, I know the Cornells. Mike Taylor and I go way back. But there's a lot of people here that I feel are important, and I think we all need to be together and if you all are all together, let me know – I'd like to be there. Thank you.

President Rabb: Are you on our mailing list with your information?

Mr. Bessey: Yes.

President Rabb: Okay. Good. Thank you. I would echo the comment – "please come and join us sometimes at City Council." I mean I love everyone on the Council, but it gets lonely. Mr. Morgante shows up a lot, but we need a lot more people to come and tell us what to do. I think I had a couple of other people that still hadn't had a chance. I think Jeff – you want to come up Jeff please?

Jeff Nelson, 90 Howard Street: I'm probably one of those homes that, in fact I know I am, where I'm trying to make changes. I've had a lot of experience with Jamestown

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going back to 1965 and running around the county with Joe Gerace and from there on I've had a lot of roles and I've been on the City Council; I've been a candidate for Mayor; I sit on the Planning Commission; I've worked on the Board of Assessment Review. I'm a landlord and also a homeowner in the City. I can tell you this from experience and you can maybe tell by this – I've been around for awhile now. I've seen the times in the City when neighborhoods have gained. There's been gains in the neighborhood just because somebody started fixing up a house. I've seen it a number of times. It's not unusual that it happens. One of the difficulties is that when it did happen, and I saw it more...it was back during a time when we had a lot more people and to hitchhike on something of what Denny brought up before and I say it tongue and cheek because I've brought a bit of it to the area too, 'til subsidized housing came and it took a lot of the elderly people, if you will, out, moved them into housing and they were very good tenants. I can tell you this is true because when I was running for Mayor a few years ago and I covered Willard Hill talking to people, they knew who I was and they let me have it----“why did you allow this housing to come in? Why did you build it in Frewsburg? Why did you do that?” What I want to bring into play is to understand one thing. Years ago, a lot of these discussions started. As I say, when I first got involved, it was about 1965. Shortly after that, I worked in the Department of Development here for several years. Over this time, a lot of plans were laid out. A lot of changes happened. I read in a book the other day and it went something like this: You can put a straw if it's in the right position with the gulf stream. You can run the gulf stream through the straw as long as they aren't opposing each other. We've had a lot of changes that have happened in this community. We've lost a lot of population. We've ended up with a lot of houses that are vacant. We ended up with a lot of other housing that was brought in without taking some of the existing housing out and there's been people that have talked about a number of these things over the years. Sometime when a plan is made such as now, maybe this is the time when something is going to really stick – that's what we hope. The thing is, don't just look at the Plan. Remember to keep looking around what is going on around you because of those other factors change and you don't adjust your Plan, if that occurs, you're going to lose your momentum. I probably won't be, but a lot of you may be back again talking about it another 25 years down the road when you're approaching looking more like I do and you're going to realize – you didn't look. You didn't pay attention. Politics does not pay attention to those changes as they go along either so it's up to you – all you young people. I say that – I'm hitting 70 – but I'm still a young guy.

Paul Whitford, 25 Pearl Avenue, City Council Ward VI: I didn't prepare anything, but...it's really refreshing to see a great group of individuals here and most of all the citizens who showed up and asked questions. I hate following a young man like that – in fact, in our discussions, I think it was Randy and John, said that “we won't be here probably to see this come to a fruition,” but young men like this gentleman back here, will be. I'm on the Housing Committee. I ran for Council and thought that I could change things in a hurry but I found out...a long time Councilwoman told me “you don't know what you're getting into.” It wasn't Lillian – I promised her I wouldn't mention her name so I won't. I've been kind of involved in this from the grassroots and I've been involved listening to North Side Pride and I will tell you that there is not Bob Doverspike in every neighborhood; but with that I'll tell you that there are neighborhoods are quietly doing the things that need to be done and they need to come forward and put that synergy in throughout the City. You have probably the greatest group of leaders that you could possibly have in a community this size, with the community foundations working with

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this and DOD; I mean everybody who's involved have gone through the trials and tribulations of "how do we actually accomplish this?" We know we're going to fall back and we know it isn't going to be smooth; but I will tell you that myself, and I'm sure the entire Council, will embrace this recommendation and we will go forward. All I ask of you is that you touch the person beside you and get them involved and get them working toward a better Jamestown. There is no doubt in my mind that we can accomplish it. We need to set our priorities which was one of the issues at our meeting and we also have to set some benchmarks. At least measure our success and community successes with everyone. I for one will embrace this and work very hard to make it come to fruition and as someone reminded me, I may not be there when that happens, but I'll be there as long as I can possibly be there and I hope this gentleman engages all of his young friends to come forward and work with us. Thank you.

Greg Moran, 221 Palmer Street, a City Housing Inspector: One of the things that I have learned when I've been able to go to several conferences. We went to the Vacant Property Conference; we've gone to HUD conferences and in almost everyone of them, the thing that's mentioned is community involvement. It's not government, it's not the Housing Inspector, it's not that – it's the community itself. Most of the places we've gone – Schenectady, Utica, Pittsburg, Louisville, where we've gone to these conference, it's been community development corporations, small block groups and it started small; planted community gardens, started a small housing project and it's just grown. You go into places like Louisville and you have neighborhoods where there are gardens and gateways and all kinds of stuff. Same thing – Schenectady – the Union College – they developed a whole area around the College campus and stuff; they encouraged the professors to buy properties around and stuff, so I mean, that's what we need to do – get the community involved. It's not going to be just me as a Housing Inspector; it's not going to be the Dept. of Development; it's not going to be Council – it's all of us. I've lived here almost 58 years of my life and it's a great City. One other thing I've got to say is I've worked in both the private and the public sector and dealt with some consultants and one of the few guys I've been with – I went out with Charles the first time him and Dave came to Jamestown – we took them out one afternoon, introduced them to Jamestown. One of the few guys that jumped out, leaping over railings, going into houses, climbing around – it was amazing. Usually you see the consultant – he comes in with his briefcase, takes a quick walk around and that's it – "bye, see ya, we'll write some reports and stuff..." So it was pretty amazing to sit and talk to both Charles and Dave that afternoon and that's all I've got to say.

Vince DeJoy, 321 Baker Street, Council Ward IV: I just want to say that we do have an excellent Plan here and we've heard it a thousand times. We have to take young people like an Adam and Michael and the Frank Bessies; we've got to tap into that enthusiasm – it's going to be one house at a time. Here, as a City Council member, we'll be here to help create the policy that will help drive this plan and hopefully, help execute the Plan. But it's going to take people in the community – one house at a time, find houses on your street that are in disrepair and perhaps offer to help. Maybe you have to find a way to find all these bucket fulls of paint and help the people out and find cooperative ways to actually put this Plan into motion. We can sit here and talk about all the problems that are here, but let me tell you something – the rest of the country is facing those same challenges. It's not just Jamestown and when you look at that statistic of home value to income at 2% or two times, or however you express it, there's obviously people that aren't inputting the investment that is necessary to keep our City looking

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the way it should. I know that most of the people in this room, knowing their houses, walking by, we believe in that and we just have to make the rest of the City of Jamestown and the people here believe in our City and believe that it's not seen its better days. I, for one, want to be a part of that. I'm glad to see that you like Hallock Street. I represent the 4th Ward on the West Side. Steven Sandberg's street is a beautiful street and there are many of those streets. If we can make them as examples of what the rest of the City can be, we're that much further along. Thank you very much for this Plan.

Bob Doverspike, 50 Grant Street, ...hopefully, a one or a two in your database Charles, but I'm not sure. I obviously am an advocate for grassroot neighborhood groups and the point that I would like to make you understand is that I said "groups," not revitalization or not rehabilitation. I wish those terms would disappear. I think by the time you live in a neighborhood and you realize that you need a rehabilitation group, you are a little bit too late. The time to do that is before you need that neighborhood rehabilitation group and they exist all over the City. I'll use the Allen Park Women's Club as an example. That's a neighborhood group. I don't know whether they need very much rehabilitation there. I have some very good friends who live on Gordon and I don't know how much more upscale you can get than Gordon. They tell me they have block parties, so get involved right now. The gentleman here who lives on Park – they're trying to start a neighborhood group is right now – not when you have four or five more properties that are distressed or that are severely in need of rehabilitation.

Chrystal Rublee, 829 Newland: I'm definitely not a "1" but working on it. I would like to know how soon that us as citizens – what can we expect – when will we be contacted – what can we do right now aside from our own properties, how soon that will be happening and what can we expect in the future?

President Rabb: Do you mean with respect to implementation of the Plan itself to get this ball rolling?

Ms. Rublee: Yes.

President Rabb: Well, with the stuff in your neighborhood – don't wait for us, because if you wait for us...and all the Council members live in the City in our neighborhoods and we get involved in our neighborhoods too. If you're asking about the stuff related to the recommendations that Charles is making in his Plan, there is a procedure that has to be followed. It has to go through the Planning Commission, the Planning Commission has to make a recommendation to the City Council, the City Council has to approve it and then we work with the Mayor and the Department of Development and other governmental agencies in partnership with the County and the foundations to start implementing it. If you want an exact timetable, we want to rush this through as quickly as possible as soon as the decision was made, we want to do this, but we still have to follow the law and the procedures and that can slow us down a little bit, but I think the will is there when I look around the room and listen to my colleagues. I wish I could give you a better answer.

Mr. Buki: Part of our work is art and part of it is science. So this is sort of the art side. I think that you should as a community – you should see paint on houses a

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year from now. If you don't see a commitment sufficient to get money on the street nine months from now, you're probably behind schedule a few weeks. So 12 months from now, existing groups should have resources in their hands provided their strategy is consistent with the Plan. That's at one level. So you want to be paying attention to Planning Commission, paying attention to City Council and when they are kicking this around, you don't want them to kick this around – Greg doesn't either – neither would Paul – doesn't want that kicked around in front of an empty room. It actually helps that you're here. I would say a year from now, you should see activity. You should expect to see activity and your part in it is to play a role in it as a volunteer a year from now. In the preceding year, if your house is a "4," we think you can make it a "3" for less than \$5,000. If your house is a "3" you can make it a "2" for \$2500.00. It's not chump change. In order of magnitude, I'm just looking out here, I'm guessing you have 67-68 households in this room right now. At a \$1,000 a month – you do the math. So that's an instant impact right here. I would say while part of each of you is waiting for a year from now to see if resources are hitting the ground, ask yourself 11 months from now – how much have you put into your own house? The two go hand in hand and I would say six months from now, ask yourself "do you have in your pantry one of those little brass hooks you screw in – you know they've got a little hook you can put a coffee cup on or whatever...do you have eighth or ten of them in your pantry that have the housekeys for your neighbors so that you can let yourself in and take care of their dog, or they can do so and have you spent this year getting to know those eight or nine neighbors on your street? If you get to a year from now and Steve Centi is rolling out resources and the Gebbie Foundation and the Community Foundation are rolling out resources and you don't have those keys – and your house doesn't have \$4200 worth of improvements or even \$42.00 worth of pansies...if you can't answer yes to those questions, I don't think you're in a position to be really asking the question "what's going on at City Council?" It's a both end in this town. That's where the market is.

Peter Morgante, 134 Euclid Avenue: The purpose of fixing up the property according to the article is to increase the property values of the City of Jamestown so that we could increase the taxes, in my estimation. We have not discussed the issue of "why our properties are going down to disrepair – we can't afford to live in them; we can't afford to keep them; and the biggest issue is why nobody wants to buy property in the City of Jamestown is the taxes. We haven't addressed that issue. Not only are our taxes going up, but every year since our administration, they've gone up for 10 years and it's gotten to the limit and we're almost at the limit right now. Now you've checked all the houses in the City. Do you think the houses in Jamestown are over taxed for the amount of money that we pay for them compared to other cities? And also, the income of the people that we are working...this is what we've got a problem with. Our incomes are so low, we can't afford to pay our taxes. How can we afford to pay for repairing the houses? But I think that's the problem – we depend on the property values for our tax base to pay for City services and this we can't afford.

Mr. Buki: Thank you very much for having me. My colleague David Belkey is probably the smartest community developer in the country. I am not a religious person, but I am blessed to have him as a partner and friend. You're the recipient community of 35 years of his work and it's an extraordinary contribution he's made to your community. My colleague Karen teaches at Wharton – she's probably the finest econometric analyst in the country. So in some respects, it's the luck of getting a phone call from Len that we sort of

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landed here. We're very glad to have been here. I am very flattered to have been welcomed into your community and I want to thank you for the turnout tonight.

There being no further business, the meeting was adjourned.

James N. Olson, Director of Financial Services/
City Clerk