

## **Parking**

The City of Ypsilanti Planning Department has said that downzoning the Cross Street Neighborhood will improve the parking situation in the area.

### **The Problem**

During EMU's school year, the streets are packed as far south as Congress, into Normal Park, and all the way to Huron Street, from dawn till dusk. Because the streets are packed, residents sometimes park inappropriately on their property. The visual result is a hodge-podge of cars as you drive through the neighborhood. It looks awful. It is also inconvenient and unfair to residents who deserve to be able to park on the street.

Property owners have been petitioning for changes in the parking situation in the Cross Street Neighborhood for several years and would like to see the situation resolved. However, saying that downzoning will fix the problem means that the root of the problem has been misdiagnosed.

### **The Cause**

EMU's commuter students are the problem. This is because they can't find a spot on campus and many don't even try.

Commuter students would rather risk paying a few cheap parking tickets each semester on City streets than pay \$65 per semester to park in a campus lot. EMU is not providing enough parking, while the City provides free and convenient parking by allowing students to park on the streets. EMU used to provide parking at Rynerson Stadium with free shuttle service but discontinued it because commuters chose to park on Ypsilanti streets for convenience. This is where the parking problem originates.

### **The Solution**

Some property owners from the area have met with Council members individually and have also met with the Traffic Review Committee to devise a plan to deal with the parking problem at its source: the commuter students. The result was a plan to change all City streets within walking distance of campus, including the Cross Street Neighborhood, to "residential-permit-parking-only" and to raise parking fines. By doing so, the police will be able to enforce parking rules more efficiently and higher fines will discourage students from risking a ticket.

This tactic has already worked in areas like College Heights where guests of high-density apartment complexes on Washtenaw were filling residential streets in the R1 area. The City simply changed the area to "residential-permit-parking-only" and the problem was solved.

With the commuter students cleared off City streets, area residents and their guests will have sufficient parking.

While downzoning the area would be an inappropriate way to deal with parking problems, it would be advantageous for the City to pursue the current plan for "residential-permit-parking-only." This plan has the support of the Planning Staff, the Traffic Review Committee and Residents. Now it just needs the support of Council to vote it into action.

# **Blight**

Property owners in the Cross Street Neighborhood have been complaining about blight in the neighborhood for years and have approached the Planning Department, Building Department, and City Council for help to fight the problem. Local property owners have met on a regular basis with representatives from all factions of the City's government and staff regarding the problem of blight.

## **The Problem**

Certain property owners in the Cross Street Neighborhood have allowed their properties to become overgrown with weeds and brush. These people make minimal and often shoddy repairs on their buildings and allow trash to collect around their buildings. Much of the time, this neglect extends to the inside of the building. Where unsightly and unsafe conditions exist, only less than desirable tenants are willing to rent. With that less than desirable element renting in such buildings, the problem extends beyond one or two substandard properties into a crime and trash problem that affects and degrades the entire neighborhood and the City as a whole.

## **The Cause**

Property owners who do not care enough to maintain their buildings properly cause blight. There is one primary reason why an uncaring owner lets his or her property deteriorate. It is because the community as a whole either allows it to happen or takes insufficient action to prevent or remedy the problem.

What we have here is a problem of ineffective laws and a lack of enforcement. City ordinances are not strong enough in their requirements or their penalties. Building ordinances are difficult to uncover and understand and are often not enforced because the Building Department is running on skeleton staff and a shoestring budget. Furthermore, penalties are soft and often cost the City more to enforce than a property owner to comply. The City Attorney has even been quoted as saying that, because we don't have the resources to attack all of the problems at once, we must attack them one at a time. This is why blight persists.

## **The Solution**

The problem of blight must be attacked at its source by the Building Department. New and tougher ordinances need to be instituted and enforced. Until clear language is set forth requiring property owners to maintain their buildings, and strict penalties enacted and enforced, irresponsible property owners will continue to perpetuate the blight problem in the Cross Street Neighborhood.

Downzoning the area will never solve such a problem because it doesn't take property away from those who cause blight or encourage them to improve their properties. If anything, downzoning may cause MORE blight. See the case study of 130 College Place as it pertains to the Planning Department's first example of blight.

Downzoning is no silver bullet answer to a problem the City says it can't afford to fix properly. Downzoning *does* place in jeopardy previously and lawfully acquired property rights, but it doesn't fix the problem of blight. Despite its long presentations about blight in the Cross Street Neighborhood, the Planning Staff has even said that the downzoning plan is not intended to address blight in the area and that any affect it might have on blight will be indirect and, at best, might occur within 20-40 years after downzoning is implemented.

## **Economic Impact**

The real tragedy of the Cross Street Downzoning Plan is in the negative economic impact it will have.

### **Bad for Property Owners**

By the Planning Staff's estimates, more than half of the properties in the Cross Street Neighborhood will be nonconforming if downzoning occurs. This means that most of the properties will be subject to the destruction clause and any properties that do conform will be affected by their proximity to nonconforming properties.

One of the most apparent ways that downzoning will reduce property value is that more properties will be nonconforming and therefore less marketable and less mortgageable. Fannie Mae and Freddie Mac both have statements in their applications affirming that they will not buy loans on properties that are nonconforming. See attached.

Houses that have existing apartments will see a large loss in value. Because the number of units must be reduced, kitchens will often need to be removed, utility lines rerun and interior walls moved, often destroying historic value. Besides the expensive physical changes that the house incurs, there will also be loss of value because of the type of unit that is left.

For example, four one-bedroom apartments generate more income than one four-bedroom apartment even though the density may remain the same. The former are also much easier to rent under current economic conditions, and tenancies in smaller units tend to be substantially more stable than in larger units. Reducing turnover has many desirable results for property owners and the community alike.

All this loss of value and density reduction is not even guaranteed! In many cases, reconfiguring apartments may reduce the number of units but at the same time can create more density. An example is one house that was recently reconfigured from three units (one one-bedroom, one two-bedroom, and one three-bedroom) into two units (two four-bedrooms.) In this case density increased by two people.

### **Bad for the Neighborhood**

With individual property values reduced and property rights at risk, people will be less likely to invest in the Cross Street Neighborhood. Buildings that are destroyed will be sold cheap and fast to whomever will take responsibility. Slumlords who are willing to break the rules and make shoddy repairs will be the only people willing to buy houses in trouble. Quality owners who want to protect their investments and make expensive quality repairs will find less risky neighborhoods in which to invest. Finally, those who value historical preservation will find that buildings that suffer destruction will not be rebuilt to their former glory but will instead be abandoned altogether or patched together quickly and cheaply to make a quick buck.

### **Bad for the City**

Many people who live or work outside of the Cross Street Neighborhood oppose downzoning because they are worried about how it will affect the rest of the City. There is evidence to suggest that if density is reduced in the Cross Street Neighborhood, people who cannot secure housing in that area will attempt move into other areas of the City, thereby increasing density in other, currently more stable, areas.

## **Strengthen the Building Ordinance**

An important part of the Neighborhood Improvement Plan presented by Neighbors for Better Planning is the strengthening of building ordinance.

These ideas are modeled after the Ypsilanti Privacy Ordinance and are designed to put more pressure on area landlords to maintain their properties. If some of these proposals were adopted, the housing code would be more self-enforcing without having to resort to court action. Benefits include a more attractive city and higher tax base.

The Privacy Ordinance is strong because it clearly explains the rules, regulations and rights of tenants as well as the penalties for landlord noncompliance. It puts power in the hands of tenants to pursue non-compliant landlords so the city won't have to.

As with the Privacy Ordinance, tenants' rights to safe housing need to be strengthened and tenants need to be informed of their rights. By strengthening tenants rights, tenants will themselves be able to put effective pressure on slumlords.

Following are rules and penalties that should be incorporated for non-compliance:

1. The City should require that landlords include a copy of the Certificate of Compliance and Occupancy (CCO) for a property in the lease or display it on the property. Tenants already have the right under City ordinance not to pay rent, or to place rent in an escrow account, for a property without a current CCO. The City should also provide appropriate protection from eviction for such nonpayment and/or "whistle blowing." A landlord should not have legal standing to sue a tenant for rent or recover money in an escrow account without providing proof of a current CCO.
2. When a property loses its CCO, the City should send a letter addressed to the subject property informing the tenants of such and of their rights. This letter should also include the booklet "A Practical Guide for Tenants and Landlords," which includes information about tenant rights.
3. When a property loses its CCO, the City should post notice on the outside of each entry door to the building just as it does currently when a property is condemned. Notice should also be posted on the inside of a first floor window in the house so that notice can be seen from outside. There should be the same penalties for removal of such notices as currently applies where condemnation or building vacation orders are posted.
4. Enforce a fine of at least \$1000 for permitting occupancy of a house without a CCO or temporary CCO.
5. CCOs should expire after 30 months instead of 24 so that enforcement personnel will be freed up to pursue slumlords.

Finally, housing ordinances should be kept in one place together with the penalties for noncompliance. As it is, ordinances are kept in multiple places with some being listed under building codes and others under human relations.

## A Case Study: 130 College Place

The Planning Department proposes to reduce density in various areas in an effort to fight blight in the City. The only certain result is that the law of unintended consequences will run amuck.



The Planning Department offered 130 College Place as a prime example of blight (pictured above). David Kircher has owned this building since 1988. Tenants of the property have filed numerous complaints with the Building Department. Each time the building comes up for renewal of its occupancy permit, there are numerous code violations. Attached are copies of the inspection for September 22, 2004 and a Property Maintenance Code Complaint by a tenant on September 30, 2004.

The real crime in this situation is that this property, remarkably, has had a CCO in the past. Most recently, the CCO expired in April of 2003. Each time the house is inspected, there are many code violations. Yet, Kircher is allowed to do the bare minimum of repairs in an unworkman like manner to receive a CCO. While this may make the house a little bit safer, it does not help the problem of blight.

The property sits on a lot of 4250 square feet and is presently in an R4 district. The building has 3732 square feet of living area. It was built in 1899. It has five rental units. There are five kitchens, five bathrooms and eight bedrooms total. Because of the lot area, the house is already nonconforming. Regardless of its status as nonconforming, it remains a major contributor to the blight problem on College Place.

Unless the building burns down, it will always be there in disrepair and contributing to blight, no matter what or how many changes to the zoning ordinance the City may propose or enact. Likewise, the City will always be able to use this property as a prime example of blight.

Other than its complete destruction, the building's fate will be determined upon its sale. Here are a few points to consider.

- The building, as is, will bring at least \$150,000 based on comparable sales within the City.
- Because of its present condition, it will need to be completely rehabilitated. This means new wiring, plumbing and heating; new windows with screens; repair to the exterior masonry; new walls and doors; and everything else it would take to make the property look good and be safe.
- The cost of such rehabilitation will be, at minimum, \$100 per square foot. This means that a full rehabilitation will cost over \$370,000.

There are three directions in which the sale of this property could go:

1. The City hopes that it will become an owner-occupied single-family unit. The City has already specified that, because of its nonconforming status, total reconstruction of the property will only be permitted if the resulting structure is a single-family residence. Obviously, there are very few people who have not already been committed to a mental institution who would want to spend that kind of money for a single-family residence in such a neighborhood. Certainly there are Ypsilanti properties available for much less money in better family neighborhoods.
2. A responsible landlord will only buy this property if it can be totally rehabilitated and have an income stream to justify the cost. The fewer units there are, the less likelihood there is that anyone will tackle this project. Less rental space equals less income stream to justify renovation. Likewise, the fewer tenants there are, the less income. There has to be a realistic financial incentive to properly rehabilitate this property, and it would require a very long-term outlook. This property will be wildly unprofitable for many years as a single-family rental.
3. If Kircher sells, the nonconforming property will fall under the grandfather clause and, realistically, only a slumlord will buy it. A slumlord will be more than willing to buy the property because of the income stream. That slumlord will continue to rent apartments in disrepair to anyone who brings cash, including criminals, and only make repairs when absolutely forced to by the City.

Obviously, item #3 is the most likely option for this and other nonconforming properties. Downzoning will only add to the already large number of nonconforming properties in the Cross Street Neighborhood. Therefore, downzoning will actually encourage and perpetuate blight, as it has in the case of 130 College Place.

Attached are pictures of properties that responsible landlords have rehabilitated from top to bottom. The City should encourage this kind of development instead of discouraging it with a change of zoning and all the difficulties that it would entail.

The example of 130 College Place, a property that has been nonconforming for many years, illustrates how downzoning will not change the worst of what has happened in the past. Neither will it address the problem of blighted properties. Downzoning will only serve to discourage meaningful and substantial efforts to improve the area.

## Neighborhood Improvement Plan

While downzoning is not the solution to the problems in the Cross Street Area, there are some decisive steps that the City can take that will improve the situation throughout the neighborhood and all of Ypsilanti. During Master Plan approval, residents and property owners presented suggestions to the Planning Staff for the improvement of the neighborhood. The Planning Staff met with residents and property owners, supposedly to listen to concerns and incorporate suggestions. However, these suggestions, which would have addressed real problems at their sources, have been overlooked and ignored for years. There is no evidence that they were even heard. The only suggestions presented that the Planning Department has acted upon in any way have been those regarding parking.

Following is a multi-faceted plan to reduce problems with parking, blight, and crime, therefore encouraging owner occupancy within the area.

1. Implement a “**residential parking permit only**” policy throughout the area to discourage EMU commuters from parking on the streets. This will open up the streets to residents and their guests and also reduce blight caused by too many vehicles packed onto a property.
2. Create a Neighborhood Response Team (NRT), which is comprised of one person from each of the major city departments, police, fire, ordinance enforcement, building department, planning department, DPW, a person from EMU, and two people from the neighborhood association and/or business associations that are identified as the people responsible for a particular area in the community. These people create a communication circle where they identify a problem and then, as a team, decide the best solution and follow through. It won't cost any additional money, it will improve communications among the different departments in the city and it will improve communication between the city staff, businesses and neighbors. Communities across the country including Columbia, Missouri and Sacramento, California have developed similar NRTs and they have been very effective in improving communications and problem solving. This NRT can deal with a variety of issues including, crime, safety, trash, noise, blight, parking, streetlights, and other issues that are negatively impacting neighborhoods.
3. Gather together building codes and other related laws in one place that can be easily referenced. As it stands, codes and rules are scattered throughout zoning and human relations ordinances. By grouping them together and clearly stating what the rules are, they will be much easier to enforce.
4. Strengthen building codes by introducing stiffer penalties. The best way to get results is through a property owner's pocketbook. The City should have stiff fines for breaking the law. Tenants should know they have no enforceable obligation to pay rent to their landlord if they live in a property without a current CCO. Tenants should also know they will be protected from retaliation for such action at the hands of a landlord who does not have a current CCO.
5. The City must increase staff in the enforcement departments. Laws, rules, and regulations are often worse than meaningless where they are not or cannot be enforced. Currently, the Building and Police Departments can't keep up with the workload, so buildings are sometimes being hastily certified due to time pressure or not being re-inspected for extended periods after their CCOs have expired.
6. Finally, the City must take prompt, diligent and consistent action by all appropriate means and measures against landlords who rent buildings without current CCOs.

For More Information

Website: [www.WeLoveYpsi.com](http://www.WeLoveYpsi.com)

Neighbors for Better Community Planning  
114 North Normal  
Ypsilanti, MI 48197  
(734) 674-8909