



City of Holyoke

Damian J. Cote
Building Commissioner

Building Department

1-28-21

City Council
536 Dwight Street
Holyoke, MA 01040

Re: Property Preservation Group 5-year report

Dear Committee Members,

RECEIVED
FEB 01 2022
Holyoke City Clerk's
Holyoke, MA

Please see the attached document that contains a small sample of the work the PPG has accomplished. This past December marks 6 years since the first meeting of this rebranded working group. The report is not intended to cover all that the individuals or departments have worked on, but rather a showcase of a few properties.

Since 2015 this group of professionals in the city have taken time from their everyday work to voluntarily meet once a month for an often-long meeting. During these meetings the group has operated as a think tank for city wide problems and to share resources in resolving problem properties. The one goal of getting multiple departments in the same room working toward the common goal is something that we cannot have enough of.

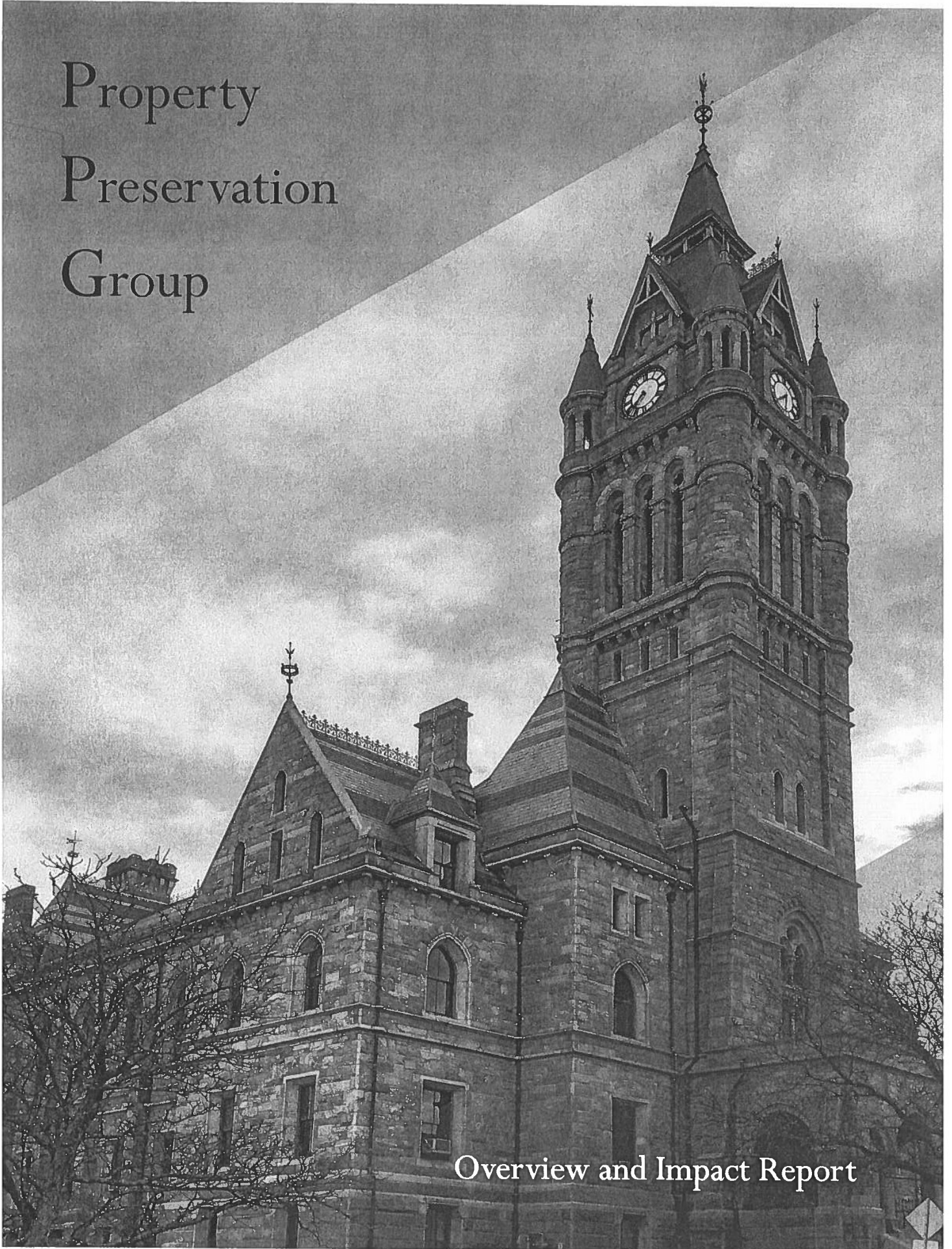
During these last 6 years, we have consolidated data about vacant and blighted buildings from multiple departments and worked together to craft new local ordinances that support the efforts of the group. For the last 3 years during the complexity of Covid, the group has continued its operations. We look forward to progress that the group will make in 2022 and beyond.

If you have any further questions, feel free to call or email.

Sincerely,

Damian J. Cote
Building Commissioner

Property
Preservation
Group



Overview and Impact Report

Introduction

Over the years there has been various working groups trying to tackle issues within the City. In the past there was the; permitting group, land group, tax squad, and demo group to name a few. The list of unresolved properties included many that were over 30 years. With this it became evident that blighted properties needed a focused and organized effort in the City. It was on December 10, 2015, that the property preservation group was branded and the city building commissioner organized the first meeting.

Property Preservation Group Mission Statement

Coordinate interdepartmental efforts to improve blighted properties in the City of Holyoke

“The PPG team has proven to be successful at breaking down long standing departmental silos”

Damian J. Cote, Building Commissioner
Building Department

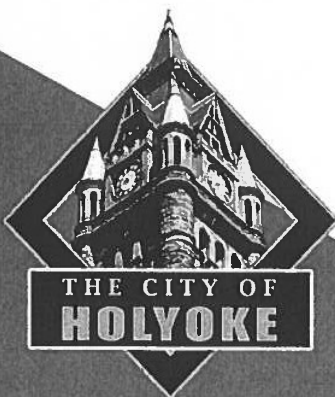
Background

It was identified that there was a lack of inter department communication and teamwork related to blight remediation. As a starting point the problem property list was established by combining the individual lists from the fire, building, health, and community development departments. At that time there were over 100 properties.

Progress

In 2010 there were 74 significantly unsafe, vacant, and blighted properties identified. As of today 60, of these are fully resolved leaving only 14. Many of these properties were on one of the departments lists for over 25 years.

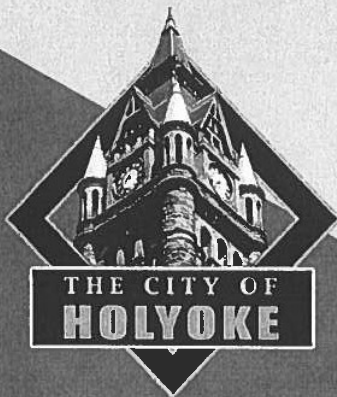
Since its inception the group has met once a month working on these previously identified properties. The group has also resolved numerous small to large scale problems that have come up regularly.



Example #1 2-Family home tax taking

Timeline 47 Chapin

- 2014 Treasurer finalizes tax taking for -\$36,691
- Building department inspects and secures
- 2014 through 2020 managed and inspected by the board of health and building department
- 2018 Cleared as surplus by city council
- 2019 Cleaned out and prepared for sale by property maintenance and demolition team
- Unsuccessfully auctioned by City
- 2020 Sold by request for proposal for \$10,000 by office of economic development
- Significant renovation including windows, doors, new electric, plumbing, kitchens, and bathrooms
- Sold for \$275,000 in 2021 to new homeowner
- Assessed value at taking \$112K, now \$240K

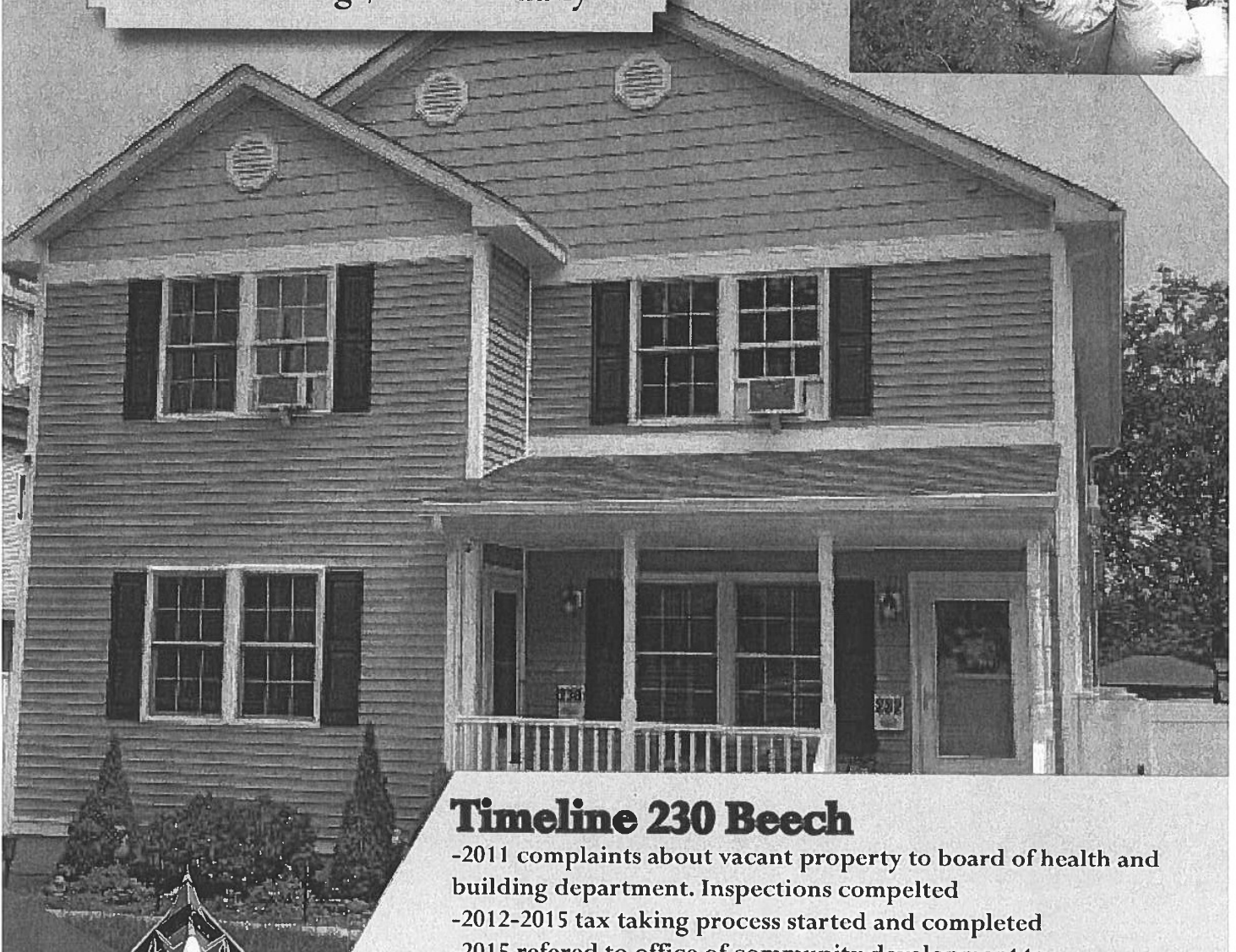
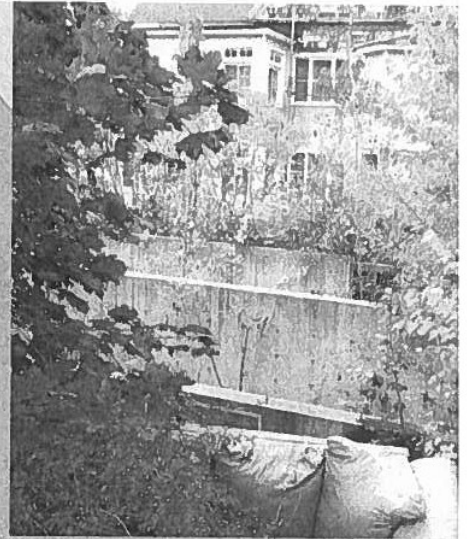


**From \$36,691 in back taxes
and valued at \$112K in 2014,
this property now contributes
\$4600 annually**

Example #2

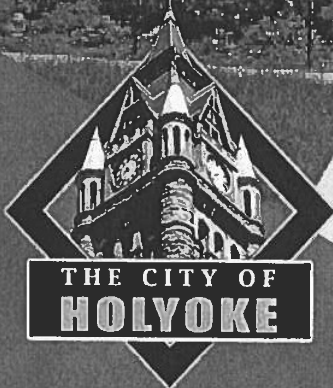
Abandoned lot with foundation

From an abandoned foundation in 2011 to a new 2-family home contributing \$4989 annually



Timeline 230 Beech

- 2011 complaints about vacant property to board of health and building department. Inspections completed
- 2012-2015 tax taking process started and completed
- 2015 referred to office of community development to partner with One Holyoke CDC
- 2016 City sold lot with foundation to One Holyoke for \$2000
- 2016 new 2-family home built on existing foundation and sold for \$160,000 to owner occupied homeowner



Receiverships

Receivership is a possible final solution for a property that has numerous unresolved sanitary code violations. If the owner of the property fails to resolve cited violations, the court may appoint a 3rd party to take responsibility of a portion or the entire property. The cost of the receivers' services is extended to the property owner. In most cases the receiver forecloses on the property due to these unpaid services.

Since 2015, 110 residential homes have undergone an in-depth code enforcement process via the board of health to resolve substantial housing code issues. These properties required administrative time, effort and attention above and beyond the typical code enforcement protocols and methods that are used in a standard housing code complaint. Resolution was most often reached through the use of either receivership, court supervised sale for private rehabilitation, or demolition.

Sustaining efforts through Covid-19

The property preservation group has not stopped its efforts despite the pandemic. While many obstacles have come up, the group has met regularly and continued to tackle blight in the City.

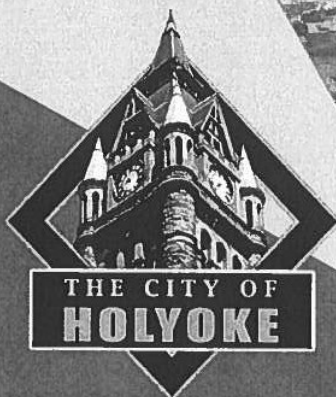
Property maintenance and demolition team

In the last few years, this small team of 2 individuals has proven to be beneficial. The team is able to rapidly respond to the need to secure a property. Trained and certified in hazardous material removal, they remediate structures saving the City significant costs that would otherwise follow the traditional prevailing wage public procurement process.

This team has worked with all of the members of the PPG at some time. From preparing properties for sale for economic development, cleaning lots of debris for the board of health, securing City property for the fire department, remediating the city hall council chambers of asbestos for the DPW, to a complete removal of a building for the City. This team has been a significant contribution to the success of the PPG.

“The heart of our Community Development Corporation’s mission is creating dignified homes and creating more attractive neighborhoods. In partnership with the Property Preservation Group, we were able to transform a blighted, abandoned space in a densely populated neighborhood and restore it to the tax rolls.”

**Michael J. Moriarty, Executive Director
OneHolyoke CDC**



Systematic, not random

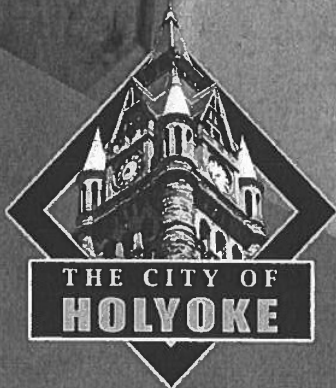
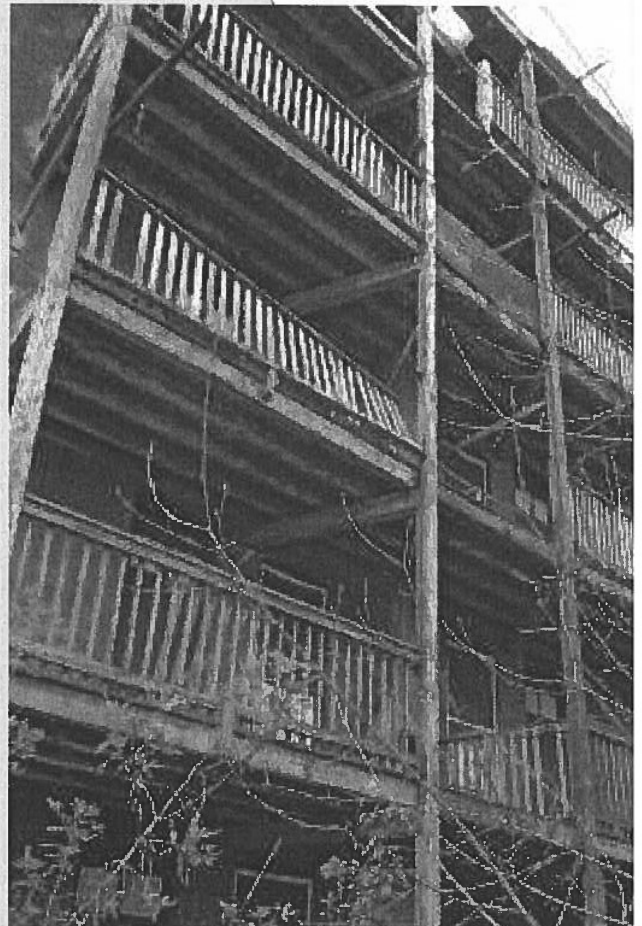
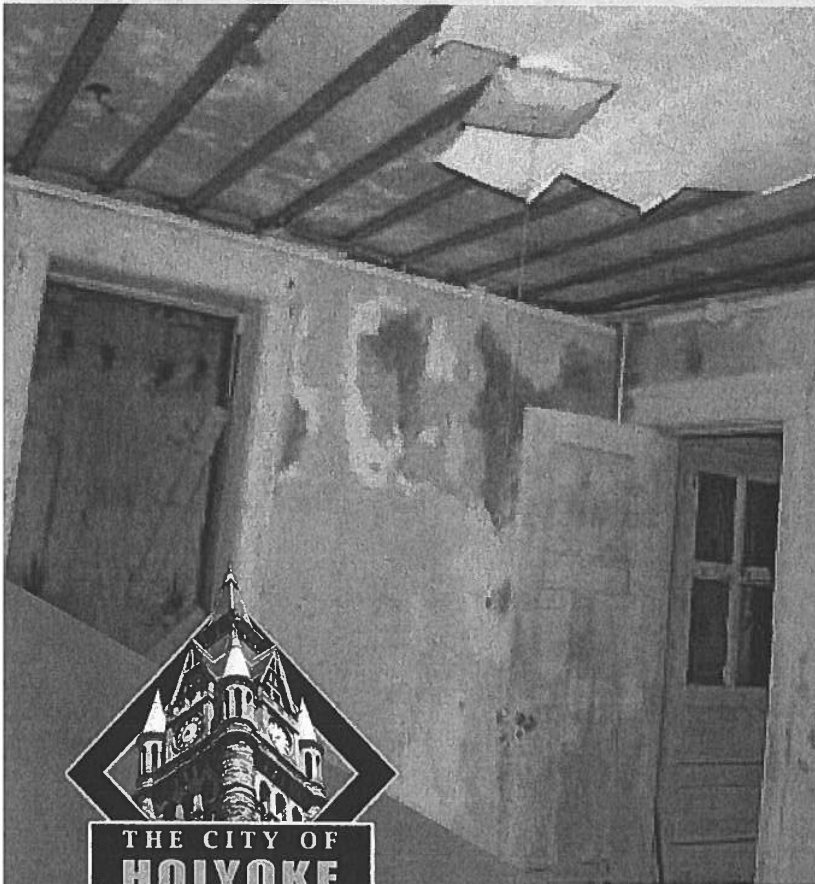
Every property is given a priority rating based on the input of multiple departments. Since the beginning the goal has been to work together by strong inter-department communication, sharing of knowledge, pooling of resources, and assigning tasks for individuals.

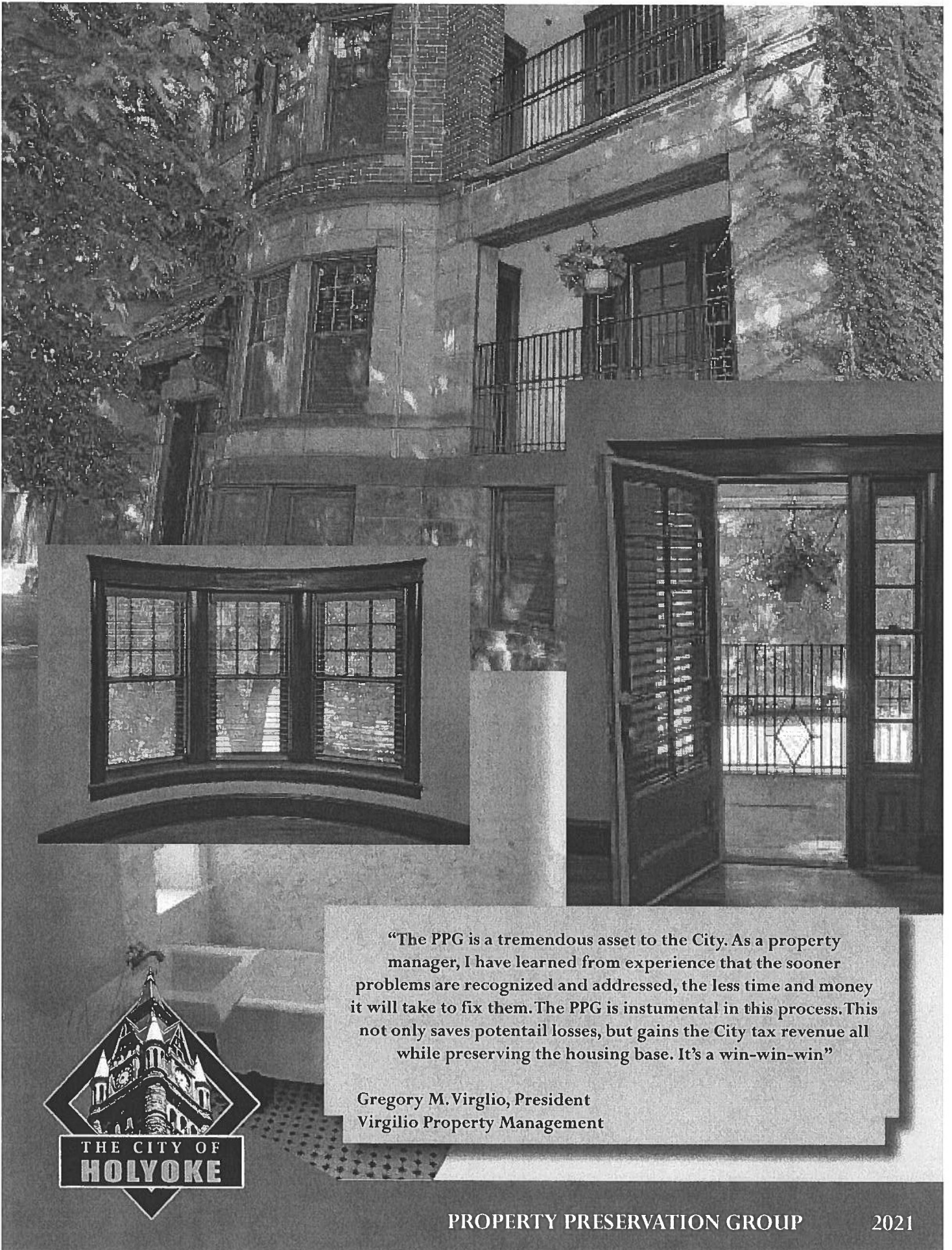
Example #3 Vacant 5-Story Apartment

A long standing blighted property for the neighborhood, is again safe and occupied

Timeline 185 Pine

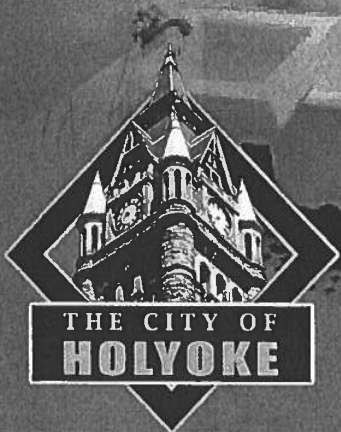
- 2007 Cited as unsafe by building department
- 2011 Registered as vacant with board of health
- 2015 Numerous complaints to City, survey complete by the city engineer, Holyoke fire chief, and architect.
- 2015 Rear porches removed by City to ensure safety of the public
- 2015 Sold to local property manager and owner for rehabilitation
- 2016 to present, Virgilio Property Management conducting a major renovation of the building.





“The PPG is a tremendous asset to the City. As a property manager, I have learned from experience that the sooner problems are recognized and addressed, the less time and money it will take to fix them. The PPG is instrumental in this process. This not only saves potential losses, but gains the City tax revenue all while preserving the housing base. It’s a win-win-win”

**Gregory M. Virglio, President
Virgilio Property Management**





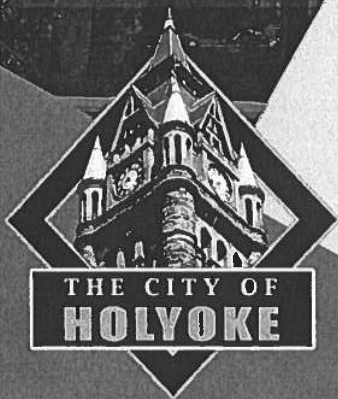
Example #4

Collapsing and vacant for decades

Utilizing grant money and the City property preservation team, this structure was removed at a significantly reduced cost

Timeline 28 Cabot

- 1996 cited as unsafe by the building department following a fire
- 2014 fire department marks building as unsafe
- 2017 property unsuccessfully offered at auction by City
- 2011-2019 dozens of calls for service to the fire department for fires, building department for securing and safety, and the board of health for trash and vegetation
- 2019 Grant applied for by building commissioner to the attorney generals office, \$25,000 awarded to raise the structure
- 2020 Economic development department liquidated the parcel and abutting lot to long standing neighboring restaurant for development. Sold for \$10,000



Tools for Progress

Each department has specific tools that can be used toward the common goal. Some of these tools are enabled by Massachusetts law or state-based codes. Many of the tools the PPG team has adopted and applied have come from national training and education. Multiple members have attended conferences on addressing blight, brought these ideas back, and turned these ideas into local ordinance. A few examples follow.

Blighted and vacant building registration

Registration with the board of health of any blighted or vacant building (including residential homes) is required. These properties often have a significant adverse effect on the neighborhood they are in. By registration, the City can establish and maintain direct contact with the responsible parties. During registration the owner is obligated to move the property forward or be subject to persuasion through other means of enforcement.

Community development block grant

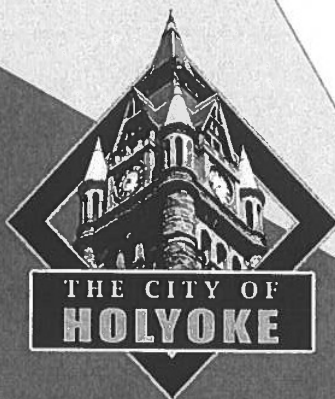
This funding is managed through the office of community development. Creating and funding a code enforcement position to specifically tackle blight has contributed to the overall mission of the PPG. Historically CDBG funds have supported renovations of properties and demolition in some cases.

Fines and liens

The ability to fine an owner of property or the City completing necessary work to ensure public safety has been a tool for quite some time. A relatively recent change is the City has the ability to lien for enforcement costs. The cost of all services of code enforcement may be attached to a given property.

Tax taking

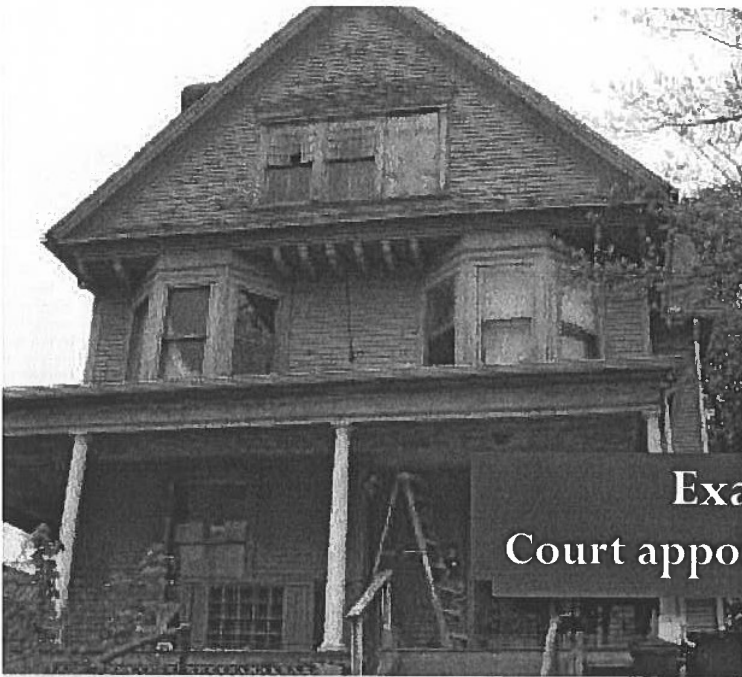
This process leads to the City foreclosing on a property that has a balance owed over at least one year. The vast majority of the properties worked on by the PPG team fall into this category.



“The PPG is an ideal example of how many of the city departments come together, set a priority list of properties, and start to take action to turn those properties around into private ownership”

Aaron Vega, Director

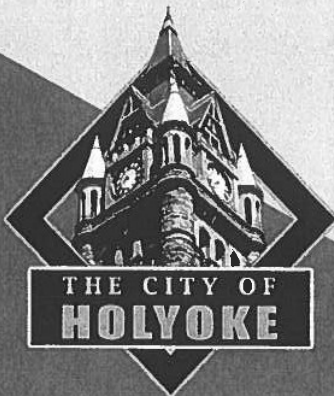
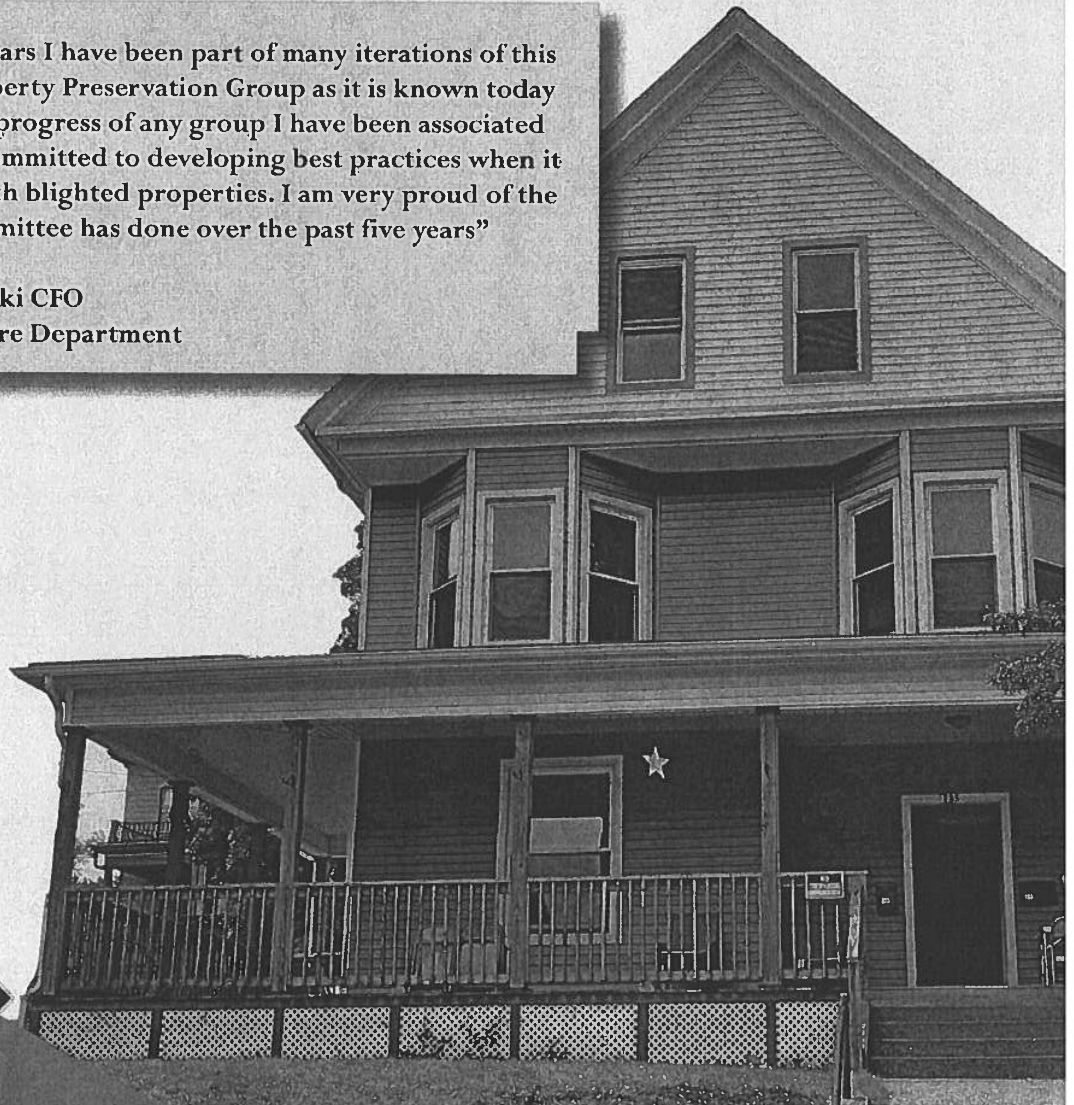
Office of Planning and Economic Development



Example #5 Court appointed receivership

“ Over the past 20 years I have been part of many iterations of this committee. The Property Preservation Group as it is known today has made the most progress of any group I have been associated with. The group is committed to developing best practices when it comes to dealing with blighted properties. I am very proud of the work this committee has done over the past five years”

Jeffrey Przekopowski CFO
Chief of Holyoke Fire Department

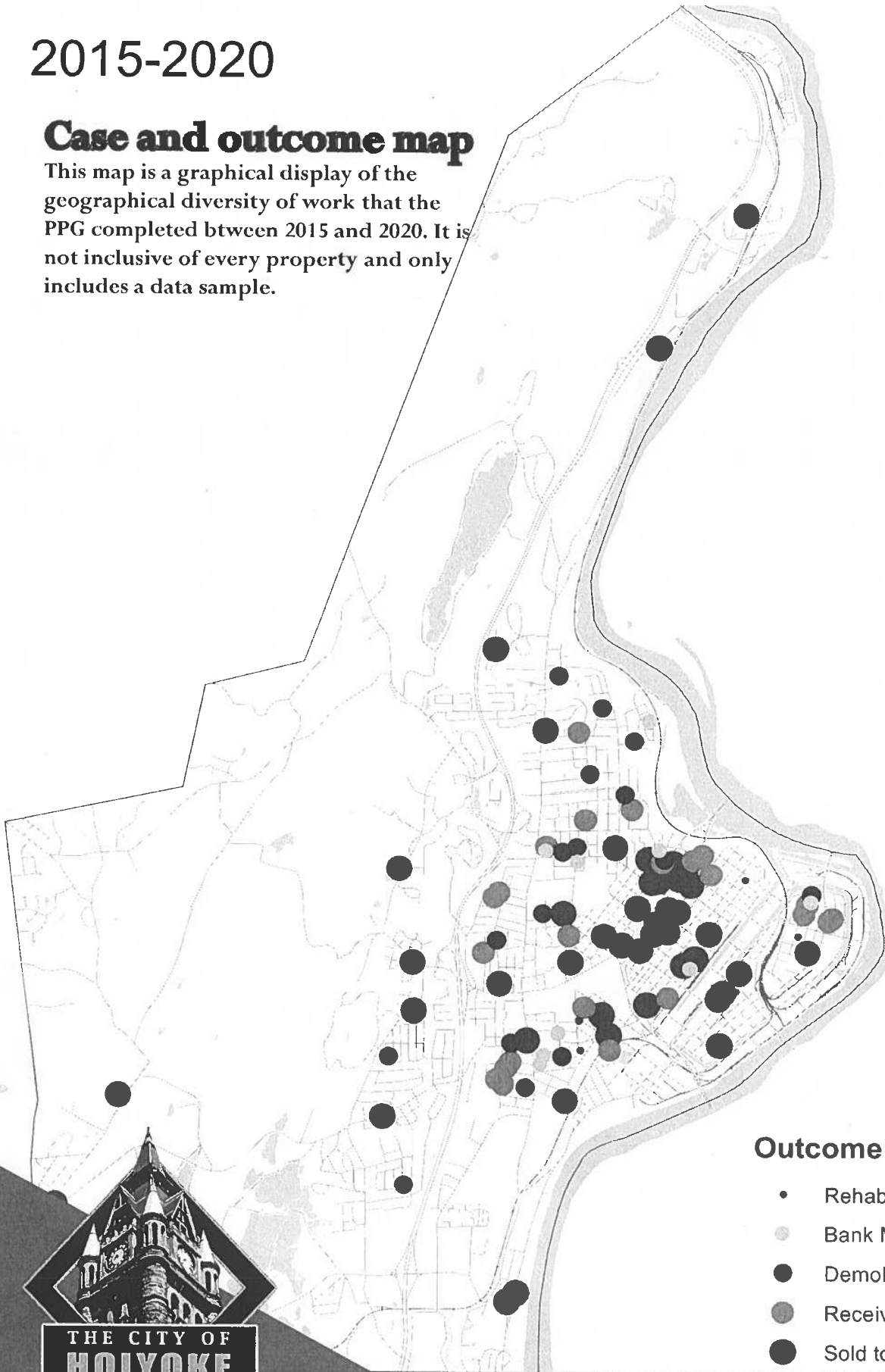


2015-2020



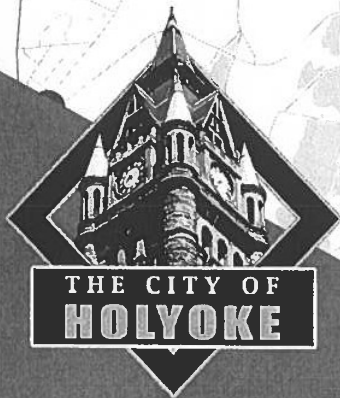
Case and outcome map

This map is a graphical display of the geographical diversity of work that the PPG completed between 2015 and 2020. It is not inclusive of every property and only includes a data sample.



Outcome

- Rehab by Owner (7)
- Bank Managed Rehab (9)
- Demolished (16)
- Receivership (23)
- Sold to 3rd Party (49)



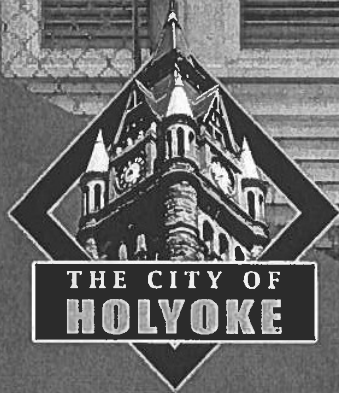
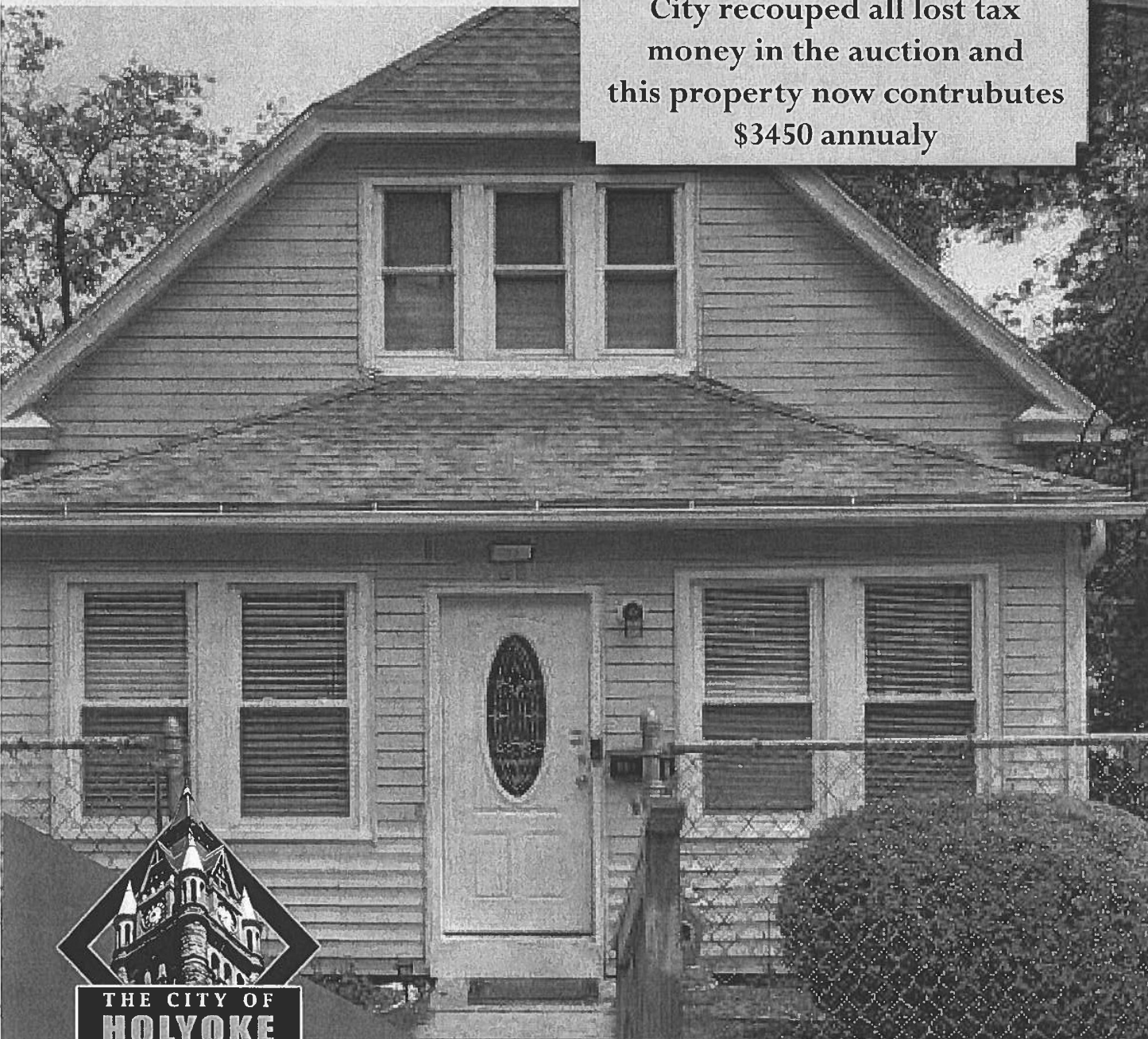
Example #6

Tax taking property auctioned

Timeline 20 Arthur

- 2014 Inspected and secured by board of health and building department
- 2017 Property taken by City for unpaid taxes
- 2018 Property sold by auction for \$51,940
- 2018 House significantly renovated
- 2019 House sold to new owner for \$171,650

City recouped all lost tax money in the auction and this property now contributes \$3450 annually



Key Takeaways

Forward progress

Numerous cases that the PPG has taken on have been long standing properties. The group has moved things forward by working together toward the common goal

No additional cost to the budget

During these years there has been no increase in funding from the citizens of Holyoke. Despite the progress that has been made, there has been no additional funding for these efforts. This has been in part thanks to the vacant building registration fund, CDBG funding, outside grant funds, and the in house property maintenance and demolition team.

Attention to challenges

During this period of time the world has been subject to a pandemic. The City and the PPG has certainly been affected by this issue directly and indirectly. Despite this and other unforeseen challenges, the group has learned, adjusted, and continued on.

Taking steps forward

As we resolve the last of the long-standing problem properties, we are shifting priorities. One major change going into the future is to shift focus from resolving the past issues to prevention and preservation. The PPG has addressed too many properties that were already past the point of no return. Moving forward the goal will be to catch a property before it gets there. We will investigate and implement the best tools to this end.

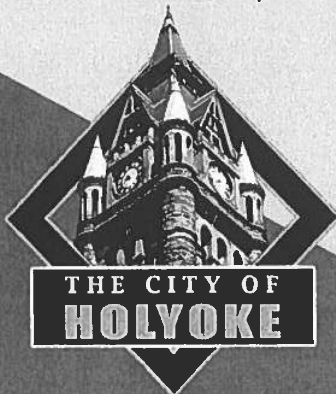
About Private Businesses

Virgilio Property Management

Since 1986, Virgilio Property Management, Inc. has been offering residential property management services to the communities of Western Massachusetts.

OneHolyoke, CDC

Founded in 1971, OneHolyoke CDC is a private nonprofit organization dedicated to improving housing for low and moderate income Holyoke residents.



Participating Municipal Departments

Board of Health
Building Department
Department of Public Works
Fire Department
Law Department
Office of Planning and Economic Development
Mayor's Office
Office of Community Development

Author

Damian J. Cote is the Building Commissioner for the City of Holyoke.