# **Trending Developments**



FALL RIVER OFFICE OF ECONOMIC DEVELOPMENT

Volume 5,

# Fall River Stakeholders Reveal Housing Policy Study Information and Recommendations

December 2016

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Since the Fall of 2015. State Representative Carole Fiola and a team of Fall River stakeholders have been meeting regularly to discuss the housing issues in the city of Fall River while researchers at UMass Dartmouth's Public Policy Center have been compiling relevant qualitative and quantitative data. The privately funded study (see study contributors at end of article) examines the housing stock in Fall River, relationships between the housing market and population, demographics and economic changes, as well as the options available for addressing issues and rectifying gaps between existing housing and the demand. The following are the facts uncovered and corresponding recommendations proposed as a result of the study:

FACT #1: Twenty-eight percent (7047 units) of Public and Private Rental Units in Fall River are subsidized. From 2009 – 2014, Multifamily Owner Occupied units decreased by 16.6% and absentee ownership has increased. Fifteen percent (15.4%) of all residential parcels are owned by out-of-towners.

<u>RECOMMENDATION</u>: Programs need to be developed to

increase Owner Occupied Home Ownership -- The City of Fall River should place greater financial and marketing emphasis on First Time Home Buyer funding for owner occupied single family and multi-family nonsubsidized residential development. 2018 FY CDBG budget should be increased from \$100,000 to a minimum \$300,000 and be limited to owner occupied single family and multifamily home ownership. In addition to serving the general population, the program should target and incent schoolteachers, police officers, emergency medical technicians, and firefighters by requiring repayment of 25% of the actual loan amount at 0% interest and only at the time of resale contingent on the requirement of meeting a 10 year owner occupancy requirement.

RECOMMENDATION: State legislation should be filed to amend the Community Preservation Act to include funding for the development of market rate housing in those Massachusetts communities that have met their Chapter 40B 10% threshold for affordable housing.

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FACT # 2: The FRHA may be negatively contributing to property values and abutting neighborhoods for failure to (i) develop an acceptable plan for the re-use of abandoned properties in the Corky Row neighborhood and the redevelopment of the former Watuppa Heights property; (ii) properly install and maintain video camera monitoring of FRHA sites and (iii) properly staff the FRHA legal department to oversee tenant complaints, monitor on site visitation by nonresidents and process tenant evictions.

The Fall River Housing Authority (FRHA) owns 2,304 public housing units and manages and oversees the issuance of 2,004 state and federal housing vouchers to income eligible people. Together these programs represent 4,308 units or 61% of all subsidized units within the city

#### **RECOMMENDATION:**

Within six months from the issuance of this report, the FRHA, working in conjunction with the Mayor and City Council should (i) develop and submit a plan for the demolition and reuse of the abandoned Corky Row properties and re-use of the

Watuppa Heights site to the Massachusetts Department of Housing and Community Development for consideration and approval; (ii) initiate a study using police crime statistics complete with recommendations to determine the crime rate within, and around, the public housing locations and identify what impact this may, or may not, have on real estate values within the vicinity of such units and (iii) fund and conduct an external independent financial, operational management and tenant service provision audit of the FRHA to determine the proficiency of its overall management structure, its financial efficiency and the impact of its tenant based education and job training services in comparison to other Massachusetts Housing Authorities.

FACT # 3: Fall River's housing Stock was built for renters. Renters primarily live in older housing. Seventy three percent (73%) of all rental units were built before 1940 and are occupied by renters. Older rental units are more prone to structural deficiencies. Budgetary constraints and staff capacity prevent Inspectional services from completing a full cycle of inspections on multifamily rental units in Fall River

and many units have not been inspected for years.

#### RECOMMENDATION:

So as to comply with state law which requires multifamily inspections once every five years to ensure and safeguard the life, health, safety, welfare and property of occupants and adjacent property valuations, the City of Fall River should develop and implement a Multi-Family Housing Registration and Inspection Ordinance to mandate the inspection of multi-family dwellings consisting of three or more units to identify property owner/contact information. If funding is necessary, a sliding scale should be developed to differentiate owner occupied from non-owner occupied dwellings.

#### RECOMMENDATION:

Encourage the City of Fall River, like other Massachusetts communities, to establish a multi-agency Neighborhood Task Force (NTF) to counter the dramatic deterioration of several neighborhoods throughout the city and improve the quality of life for all city residents. Under the auspices of the City Legal Department, the city NTF will initiate concentrated code

enforcement in the most troubled neighborhoods through civil and criminal judicial processes to bring non-owner occupied and owner occupied properties into compliance with local and state building codes.

Under the auspices of the City Legal Department the NTF will be charged (i) to oversee identification and registration of abandoned buildings; (ii) the enforcement of exterior building code violations consisting of unsecured, vacant structures, unmaintained roofs gutters and downspouts, unsafe stairs, porches and decks, dead or unsafe trees, dilapidated garages, sheds and fences; (iii) the enforcement of interior building codes and dwellings unfit for human habitation. overcrowded living conditions, unsafe buildings/ structures, blocked egresses, faulty plumbing, exposed electrical wiring; (iv) zoning code violations consisting of outdoor storage of junk, salvage, auto parts, parking of vehicles and boats in restricted vard areas (front, rear, side), inoperable motor vehicles on property, auto repair garages in residential areas, illegal rooming houses; and

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(v) health and sanitation code violations consisting of yard waste in alleys, deteriorated dumpsters, dumpsters on public ways, pest infestation, noxious weeds, high grass and exterior hoarding.

FACT # 4: In 2015, there were 100 self-reported and registered Abandoned Properties in Fall River which generated \$273,800 in revenue. Unlike many other cities, the revenue generated from Abandoned Properties goes into the city's general fund as opposed to Code Enforcement and Inspectional Services.

#### **RECOMMENDATION**:

City of Fall River should review and compare Abandoned Properties fees and reporting procedures with other Gateway Cities to determine comparable fee and reporting structures. Earmark the revenue derived annually from Abandoned Properties Registry for additional Housing Inspectional Services personnel, technology and Neighborhood Task Force inspectors as opposed to depositing these fees into the General Fund.

FACT # 5: From 2006 -2015 the City of Fall River, as the grant applicant, has helped secure and spend more than \$26,748,000 for Continuum of Care (COC), **Emergency Shelter Grants** (ESG) and Home Funding programs. These monies have helped to leverage millions of more dollars more cash match dollars from social service non-profit entities. This expenditure has exceeded similar expenditures in Lynn (\$26,434,000), New Bedford (\$25,794,000), Lowell (\$17,408,000), Lawrence (\$16,923,000) and Brockton (\$13,544,000) during the same time frame.

From 2007 through 2015, the City of Fall River experienced a 165% increase (from 153 in 2007 to 406 in 2015) in its homeless population. Fall River is home to 1.9% of statewide homeless while representing 1.3% of state residents; Fall River has 2.3% of state's year round Homeless Shelter Beds while representing 1.3% of all state residents.

# RECOMMENDATION: The City of Fall River needs to convene a meeting with non-profit housing and social service entities such as the Fall River Housing Authority, People Inc., Catholic Social Services, JRI, STARR, Steppingstone,

DYS and others to commission a study to identify and better understand the economic, financial and social impacts of these programs and entities on property values, public safety and public education.

Once these impacts are determined, the City and these entities should develop a mutually agreeable plan and strategy for the application for ESG and COC funding for homeless families and individuals. This plan should also look at the management, placement and impact of drug treatment centers, sober houses and group homes within Fall River.

FACT # 6: Although Fall River is home to 8.4% of the total population of Bristol and Plymouth counties, it accommodates 14% of the Bristol/ Plymouth County subsidized housing as managed by Housing Solutions (formally known as South Shore Housing) and subsidized housing subcontractor programs. These housing programs consist of Housing Choice Voucher Programs, Massachusetts Rental Voucher Programs, Alternative Voucher Programs,

HomeBASE, RAFT (Residential Assistance for Families in Transition) and South Shore Housing Units.

#### **RECOMMENDATION:**

State legislation should be filed to (i) mandate that all HomeBASE units mirror federal Section 8 minimum housing standards to ensure public safety: (ii) that these entities track and report local recidivism rates to DHCD, and (iii) develop a program for transition of the these into more permanent housing opportunities in communities failing to meet their fair share of subsidized housing.

FACT # 7: The total amount of Community Development Block Grant (CDBG) funds obligated for public services activities must not exceed 15 percent of the annual grant allocation plus 15 percent of program income received during the prior year. As one of only an estimated eight cities nationwide, the City of Fall River, through a utilization of a waiver request to HUD has for the last 40 years expended 40% of its Community Development Block Grant on Public Services

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#### **RECOMMENDATION**:

The City of Fall River should plan to wean itself of the 40% expenditure of CDBG funds for Public Service uses and conform to the CDBG 15% cap expenditure. Redirection of these funds could result in substantial infrastructure (water, sewer, street, sidewalks, parks, playgrounds, etc) repair throughout the majority of the city.

FACT # 8: While there is interest in sharing city data, city departments lack the staff and technological capacity to collect and share meaningful information internally or between agencies.

#### **RECOMMENDATION**:

City of Fall River should work to improve technology infrastructure and training to obtain and integrate data between School Department, Police, Fire, Building Inspection, Planning, Zoning, Water and Sewer to get a broader understanding of the impacts of variance requests, sub-division proposals and retail, commercial and industrial development on the city.

The study was funded by BayCoast Bank, Bank Five, the Fall River Office of Economic Development, the Fall River Redevelopment Authority, the Greater Fall River Development Corporation, Mechanics Bank, NFC Mortgage, St. Anne's Credit Union, and the Community Foundation of Southeastern Massachusetts. To view the full report and recommendations, please visit:

www.electcarole.com.
Contact Representative
Fiola at 617-722-2460 or
carole.fiola@mahouse.gov.

**Table: Subsidized Housing in Fall River** 

	Number	Share of Occupied Units	Share of Rental Units
Total Occupied Housing Units	38,655	100.0%	-
Total Rental Units	24,799	64.2%	100.0%
Federal Public Housing, FRHA	2,033	5.3%	8.2%
State Public Housing, FRHA	271	0.7%	1.1%
Federal Vouchers, FRHA	1,932	5.0%	7.8%
State Vouchers, FRHA	64	0.2%	0.3%
Housing Solutions Units <sup>2</sup>	19	0.1%	0.1%
Federal Vouchers, HS	184	0.5%	0.7%
State Vouchers, HS	61	0.2%	0.3%
RAFT	40	0.1%	0.2%
HomeBASE	424	1.1%	1.7%
Non-FRHA SHI Units <sup>3</sup>	2,011	5.2%	8.1%
Total Subsidized Units	7,039	18.2%	28.3%

Source: Towards an Evidence-Based Housing Policy in Fall River, Massachusetts, UMass Dartmouth Public Policy Center



For more information please visit our website: www.froed.org

#### Mission statement of the Fall River Office of Economic Development:

Incorporated in 1978 as a 501(c)(4) corporation to promote the prosperity and general welfare of the citizens of Fall River through the stimulation of economic strength and expansion of new and existing business.