# ERIE REFOCUSED

**MARCH 2016** 

# City of Erie, Pennsylvania

Comprehensive Plan and Community Decision-Making Guide



# **ACKNOWLEDGEMENTS**

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# **ERIE REFOCUSED**

### City of Erie, Pennsylvania

Comprehensive Plan and Community **Decision-Making Guide** 

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# **86 APPENDIX**

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# USING THIS COMPREHENSIVE PLAN

# A GUIDE FOR GOOD DECISIONS

More than anything else, this Comprehensive Plan is a decision-making guide for a stronger Erie. It offers an approach to taking action that not only differs from traditional practices in the city, but enables Erie to make a significant and much needed course correction. It has been endorsed by the Steering Committee with a firm sense of realism, of achieving what is possible — but also with the aim of pushing the Erie community to do more than it thinks it can.

Although it is true that plans express an intent to achieve something, it is also true that intentions and market conditions can, and often do, change over time. For that reason, this plan has been designed to be adaptive so that proposed strategies can be adjusted as circumstances dictate. To enable flexibility while maintaining progress towards the same vision, this plan contains core principles that should guide daily decisions large and small, made inside or outside City Hall.

The announcement in the fall of 2015 that General Electric would lay off 1,500 employees is a powerful case in point for the need to continuously adapt. In the *Erie Times-News*, a

number of business owners in Erie were interviewed — coffee shop proprietors, pet groomers, and tavern operators. Like many businesses in Erie that in large measure rely on the discretionary spending of GE employees, they indicated that successive threats of layoffs have become routine, and the anxiety aroused by such news makes for an understandable cautiousness in the community. "What happens if some of these jobs are lost for good?" asked the president of Local 506. In truth, no one knows. What is known was articulated succinctly by a local business owner who stated, "I think people are just sick of being scared."

In response to decades of such anxiety, a traditional comprehensive plan filled with platitudes and wish lists will not do, because a traditional plan would not get to the root causes of the problems facing

At best, a traditional plan would gloss over the real work the entire Erie community must do: adapt to a Post-Industrial economy in constructive and sustainable ways. Doing that means jarring the Erie community loose from its current trajectory of shedding jobs, walking away from crumbling real estate, and "being scared."

What Erie needs and what this document provides is the planning equivalent of a football playbook that contains a handful of carefully prepared plays, along with a framework for calling audibles at the line of scrimmage when circumstances change.

It is organized into five parts:



# FINDINGS - Current Conditions

Summarizes findings from the collection and analysis of data and extensive field observations — including a comprehensive survey of the city's residential conditions. It identifies the root issues that are keeping Erie from being a fiscally strong city with excellent amenities and healthy levels of demand. One of the key findings is the observation that the city and its residents have avoided facing reality for a long time — a habit that can no longer be tolerated if the community's actions are to correspond sufficiently to the nature of its challenges.



### **OUTCOMES - What to Work Towards and How to Measure Progress**

Identifies intended outcomes for Erie as well as ways to measure progress toward those outcomes. Rather than traditional out "puts," such as how many homes have been rehabbed or how many road miles have been repaved, the plan's out "comes" describe a future, measurably healthier condition that can be verified by rising property values, a stronger fiscal position, and location decisions made by mobile households.



# PRINCIPLES - Filters That Shape Decision-Making

In many respects, this is the most important part of this comprehensive plan. Literally dozens of decisions are made every day in Erie that affect the city's wellbeing. Often, those decisions are made independently, and can work at crosspurposes to each other. What is needed are core principles that can guide and coordinate the myriad of daily decisions toward a common vision.

After having carefully evaluated conditions on the ground, recent history of governance, the fiscal capacity of the city, and the large range of programs and policies currently in place we have concluded that four principles stand out and, if observed with a high degree of fidelity, will serve Erie well going forward: (1) concentrate investments in targeted areas, (2) protect and leverage Erie's assets, (3) support and build Erie's "middle," and (4) reassert Erie's human scale.



# AREAS OF WORK - Geographic Zones

Since Erie is short on resources, long on challenges, and covers nearly 20 square miles, where do we start? After analyzing over a dozen planning areas that reflect market conditions and recognizable physical boundaries, Erie is organized into three strategy zones. Each zone has a particular role to play — and particular strategies to work with — to realize Erie's desired outcomes.



### STRATEGIES AND PROJECTS - Recommended Steps to Take in **Specific Zones**

What specifically should we do? The last section takes the three strategy zones and recommends projects and priorities for each planning area — and includes strategy reference maps to assist on-the-ground decision-making. The section concludes with an outline of "activation" steps that include recommendations for financing and execution.

Altogether, the approach recommended is straight forward and step-oriented.



STEP 1 **Embrace and come** to terms with the findings



STEP 2 Understand the importance of recommended outcomes and aim for them

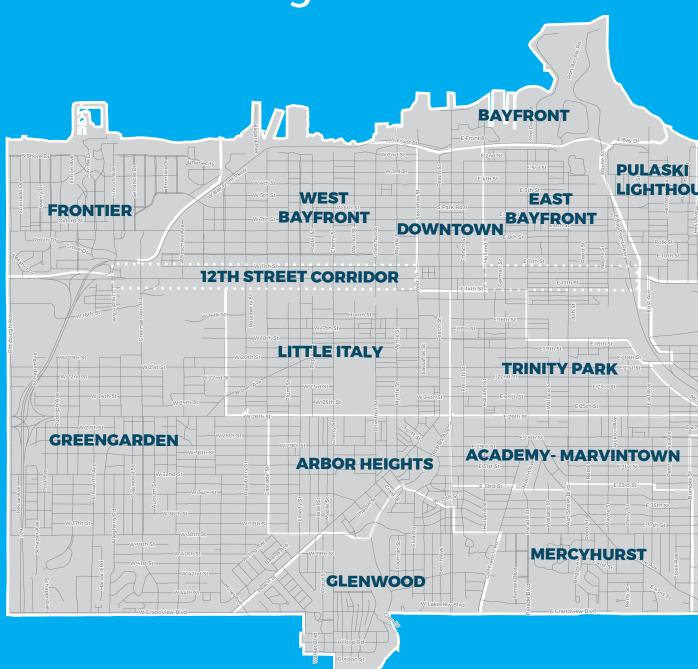


STEP 3 Adopt three strategy zones as recommended



STEP 5 When the unexpected arises, formulate new projects/strategiesalways applying the principles

# **Erie's Planning Areas**

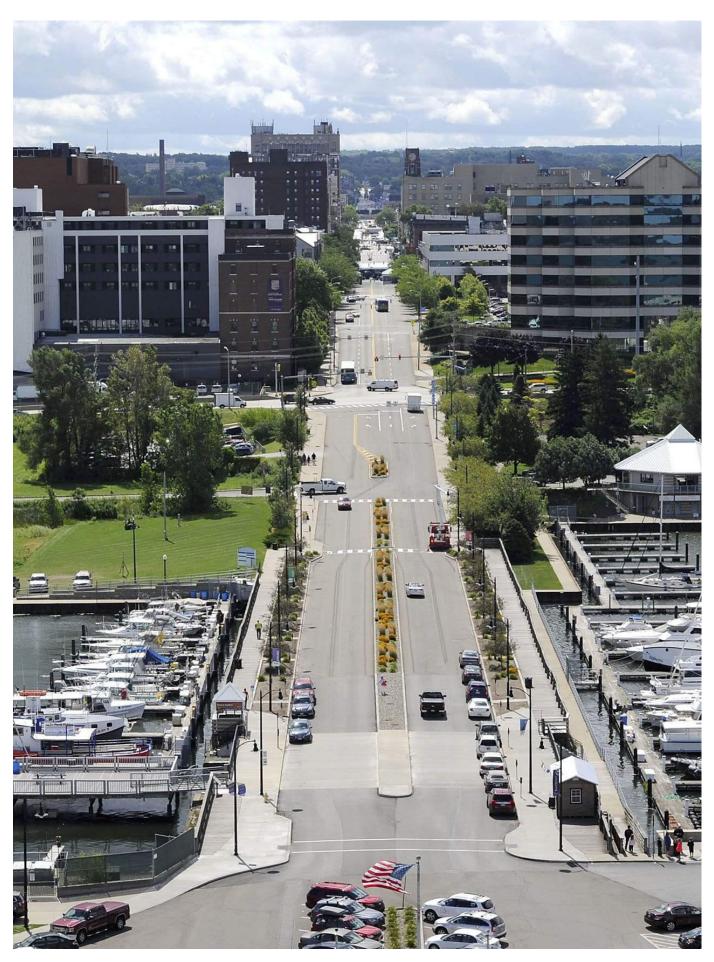




Early in the planning process, it was recognized that while Erie has some neighborhoods with well-established names and boundaries, there was no comprehensive neighborhood map for the city – and large swaths of the city lacked formal or even informal identities.

Therefore, for the purposes of data collection, analysis, and interpretation, the city was divided into 17 planning areas, the boundaries of which align with U.S. Census Bureau geographies (with the exception of the 12th Street Corridor and the Bayfront, which were areas in need of special focus). Some of the names given to these planning areas have deep historical roots or more recent derivations. Other were created based on local landmarks, major streets, or other recognizable features.

These "planning areas" should not be misinterpreted as neighborhood boundaries – indeed, most neighborhoods exist at a much smaller scale than these. But they could provide the impetus for a more comprehensive process to understand historical place names throughout Erie and the development of stronger neighborhood identities that serve a community-building purpose as well as a marketing function.





# A CITY OF AMBITION

Since its founding more than 200 years ago, Erie has always had its eye on growth and expansion. A few years after he had surveyed Washington DC, Andrew Ellicott was commissioned by the General Assembly of Pennsylvania to survey and plan a settlement at one of the Great Lakes' best natural harbors with the expectation that a great city would grow there and become the Commonwealth's connection to North America's inland seas.

Indeed a great city – Erie – did rise from the simple squares of Ellicott's grid. Growth came slowly at first but later quite rapidly as railroads and industrialization brought factories, immigrants, and the realization of Erie as a vital and busy port.

Between the end of the Civil War and 1900, Erie's population more than tripled, spurring the city's Chamber of Commerce to commission a plan by the great landscape architect John Nolen. Nolen developed a plan that would accommodate growth while taking advantage of the region's enviable location and natural beauty, including a recommendation that Presque Isle be protected as a state park.

During the first half of the 20th Century, Erie grew by another 150 percent, passing Scranton in 1950 to become the state's third largest city. Then, even as its peers in Pennsylvania and across the Great Lakes experienced precipitous declines after 1950, the City of Erie remained remarkably stable. It reached a population just short of 140,000 in 1960, with development reaching the city limits and spilling into adjacent townships. This period of mid-century growth brought about new challenges and the city sought planning and design guidance from

the well-known French city planner and modernist Maurice Rotival. Rotival's recommendations for an arterial highway system (including what became the Bayfront Connector and Parkway) and downtown modernization changed the face of the city as it sought to shed its sooty, industrial image for one more suited to its next phase of growth and prosperity.

# **Interrupted Expectations**

Subsequently, however, growth in the Erie region stalled and its population has increasingly decentralized. The City of Erie went from housing 42 percent of Erie County's population in 1980 to 35 percent in 2010, and the city's population has now dropped by nearly 30 percent since its 1960 peak.

The response to slowing growth has primarily been to focus on large-scale redevelopment projects, especially in downtown Erie and on the Bayfront. Tens of millions of dollars have been spent on sports and entertainment complexes, new waterfront facilities, and upgrades to Gannon University, UPMC Hamot, Erie Insurance and other community anchors – all in hopes of stimulating a transformative level of investment and economic activity. True, each of these projects has contributed assets to Erie that have improved the city and are justifiably points of pride.

But such an approach hasn't been enough — and it won't be enough — to return the city to a path of sustainable growth. A more fundamental, decades-long imbalance of supply and demand has created a dire situation in Erie, and it is one that cannot be addressed by one or even a dozen big-ticket projects if the community does not address underlying problems of excess and obsolete housing supply, a missing middle class, and a disconnect between what downtown and the Bayfront could be and how they currently function. In point of fact, Erie cannot be competitive and healthy again — and it will not grow again until it addresses these imbalances, shortages, and disconnections in a comprehensive and intentional way.

Investments in recent years have proven that people from across the region want to come to a ballgame, want to spend time at the marina, and want to eat at a downtown restaurant. But the average resident in the Erie region has not shown a parallel appetite for starting a business in the city, making downtown patronage part of their daily or weekly routine, or buying and upgrading a home in Erie's neighborhoods because they lack confidence that it makes sense to do so.

There are many reasons for this, but declining properties in proximity to key city assets is a major factor. Not only does it undermine confidence in the real estate market, but it communicates a lack of safety which has become the prevailing narrative in the region. When disinvestment becomes the norm; falling demand, falling prices, and declining tax revenue are also normalized. This is why Erie's big ticket projects that individually have shown promise remain compromised and, ultimately, disconnected from one another.

To begin restoring confidence in Erie, gestures that signal a real turnabout on these and other fronts will be necessary.

# **Restoring Confidence**

Previous plans for the City of Erie have all dealt with the central challenges of their time and were fundamentally shaped by the prevailing theories and methods of their respective periods. When Erie was merely an idea, Ellicott's 1795 plan provided a survey and a rational grid to spur settlement and guide early expansion. When rapid industrialization and growth were threatening the city's quality of life, Nolen's 1913 plan provided a framework for investing in

public services, facilities, and environmental assets to meet the needs of a growing population. And when the city and its region were being choked by traffic congestion in a period of Postwar suburbanization, Rotival's 1963 plan provided direction — if questionable in hindsight — on modernizing the city's highways, downtown, and Bayfront.

This 2016 comprehensive plan must also address the central challenges of its time.

This plan seeks to restore confidence to a fundamentally weak market. And unlike previous plans that have shaped the city, this one must define a path for Erie that few cities have taken or have even acknowledged as an option — never mind a necessity — including numerous cities that face imbalances far greater than Erie's.

Restoring confidence in Erie entails three fundamental tasks: rightsizing, catching up, and keeping up. Right-sizing a city — slimming down its surplus elements to stabilize it and position it for future competitiveness — is hard work. Why? Because when supply is excessive, getting supply and demand in balance requires choices, and wise choice-making is about trading short-term expediency for long-term viability. When right-sizing is done well, some constituency will be disappointed. The alternative — "business-asusual," or assuming that demand will recover if enough time passes or if the right combination of bigticket projects are built – will not address the root of the problem, and therefore will never pull up the whole city.

Not only must Erie right-size it must catch up before keeping

up can become feasible. Decades of deferred maintenance of infrastructure mean that extensive and costly repair and replacement work is also in order. Finally, once right-sized, and "caught up," a system for "keeping up" into the future must be put in place. What is needed is less a to-do list than a way to make decisions that will spur and maintain confidence in both the private market and the public role in shaping it.

This comprehensive plan provides a decision-making framework to guide public and private sector investments in a direction that will achieve two aims en route to realizing the outcomes identified by this plan:

- 1. Stabilizing prices and rents by bringing supply of and demand for private real estate and supportive public infrastructure into equilibrium.
- 2. Turning Erie into a community of choice in the region by improving the quality and appeal of its remaining supply and by taking advantage of the city's outstanding assets making the city's housing, streets, parks, and economic opportunities highly desirable.

It is estimated that the cost of achieving these two aims over the next ten years, in a way that revitalizes every section of the city, would cost more than \$600 million — a level of investment exceedingly unlikely to materialize. Therefore, this comprehensive plan must also be about priorities — about how to invest, where to invest, and at what levels to achieve these two central tasks. It is a plan that is, by necessity and design, about tradeoffs that reflect the community's vision, its core values, and the willingness of stakeholders to live by those values.

# **Restoring Community**

Of course, restoring confidence is about more than right-sizing the housing market, maintaining parkland at a higher level, or prioritizing street repairs. It is also about restoring a sense of community.

Recent decades of public and private disinvestment coincided with a decline in the tight-knit sense of neighborhood that typified the city during much of the 20th century when many people identified parts of Erie by church parishes, or by neighborhood business districts such as 26th & Parade, where Pulakos Candies was and remains an institution. To a large extent, the social fabric of individual residential blocks has frayed, producing the increasingly common scenario where neighbors are strangers to one another — or at the very least lack a sense of common civic direction. This deficit matters because it shapes how much trust people have in their neighbors and leaders — and how confident or willing people feel about investing time and energy on their block and in their city.

Restoring an ethic of reinvestment — of mutual reinvestment — is fundamental to the healthy functioning of markets but more so to the social contracts that make markets work, that make neighborhoods work, and that make cities strong.

4,700 **VACANT HOUSING UNITS** 

1,900 **ABANDONED HOUSING UNITS** 

9,500

**RESIDENTIAL PROPERTIES** WITH SIGNS OF MODERATE **TO SEVERE DISTRESS** 

# SUPPLY VS DEMAND

37,000

**FEWER CITY RESIDENTS THAN 1960 POPULATION** 

60%

**GROWTH IN SURROUNDING POPULATION SINCE 1960** 

33%

**FEWER MIDDLE AND UPPER INCOME HOUSEHOLDS IN CITY COMPARED TO 1969** 



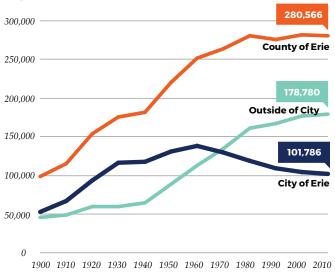
# THE STATE OF THE CITY

Sustained population loss over half a century is a disquieting reality — one that most of Erie's leaders and residents are well aware of and wish to see halted and reversed.

But population loss is only the outward manifestation of much deeper market and demographic forces that have buffeted Erie for decades. These underlying forces have created a city that today has thousands of vacant housing units, a deeply eroded middle class, assets in peril, and municipal finances insufficient to make the investments needed to transform the city's competitive position.

In order to determine realistic and appropriate strategies for Erie at this moment in its history — strategies likely to spur much-needed investment and market confidence, and to stabilize the city's population — much had to be learned about the physical and socioeconomic state of the city. This resulted in a comprehensive field survey of over 25,000 residential structures, combined with analysis of federal, state, and local datasets describing household characteristics, property sales, crime, tax delinquency, code violations, and many other variables.

### Population Trends, 1900-2010



Source: US Census Bureau.

The core findings from this research are central to the guiding principles, priorities, and strategies of this plan:

Imbalance of supply and demand for all real estate, public and private

Starkly uneven quality of the built environment, especially downtown

Uncompetitive position in the region's residential and retail markets

# IMBALANCE OF SUPPLY AND DEMAND

This is the key market issue that Erie grapples with today – one that has not responded to typical prescriptions for urban revitalization. It is straightforward and has two closely connected components.

### **EXCESSIVE SUPPLY**

Population loss, suburbanization, a changing economy, and a hollowing of the middle class have weakened demand over the past several decades, resulting in a city that has an oversupply on many fronts. Over 4,000 housing units sit unoccupied. Miles and miles of arterial roadway are well under capacity. Industrial and commercial properties across the city sit vacant or vastly underutilized. When supply outstrips demand, the result is weak market conditions that influence investment behavior in every part of Erie and its region. And because buildings and infrastructure may last for decades in the absence of demand, the excess supply must be removed to achieve a healthier balance. This is true for much of Erie's older residential, commercial, and industrial buildings and infrastructure - made worse by unappealing new additions to the built environment in Erie between 1960 and 2000.

# UNAPPEALING OR UNMARKETABLE SUPPLY

If it persists over decades, an unappealing supply of buildings and other infrastructure sharply inhibits the recovery of demand through the following cycle:

### **Price Stagnation**

Property values and rents begin to fall in the weakest parts of the city. It becomes a buyer's market with too few buyers.

### **Disinvestment**

Property owners pull back on reinvesting in their properties, sensing that the return on investment just isn't there. Stagnant or falling rents mean smaller profit margins and fewer improvements.

#### **Deterioration**

As more and more properties become visibly distressed, the most marginal properties become too costly to rehabilitate.

### **Declining Revenue and Rising Need**

As sales prices stagnate or fall, so do taxable assessments and municipal revenues, leaving fewer resources to maintain an aging infrastructure and to keep up with greater demands on police and fire services. Parks, streets, and other basic infrastructure become noticeably tired looking, sending additional distress signals into the market. As tax rates rise to make up for lost value — but not by enough to catch up on deferred maintenance - the city places itself at a competitive disadvantage with suburban jurisdictions.

#### **Plummeting Confidence**

Confidence – a vital currency in any market – becomes severely shaken. Perceptions of negativity surround the market, leading to further price stagnation, disinvestment, and deterioration.

Correcting the supply/demand imbalance and interrupting this vicious cycle of disinvestment requires an intervention that confronts the imbalance directly: reduce components of supply and boost demand. Bringing the city's housing stock into balance is critical and particularly challenging given the range of neighborhood types in the city and wide variations in physical condition and market strength.

# **IMPACT ON ERIE'S NEIGHBORHOOODS**

Erie's residential neighborhoods reflect the evolution of urban America. They include small Federal-style blocks near the center of Andrew Ellicott's historic grid; Victorian-era mansions built within a carriage ride of the bustling lake port; factory workers' housing hugging railroad lines and shadowed by mills where thousands walked to their daily shifts; small colonials and bungalows from the dawn of streetcar suburbia; leafy subdivisions with curvilinear streets and parks; and downtown loft apartments carved from former commercial and industrial spaces.

In short, the housing market in the City of Erie has tremendous variety – a real asset at a time when many buyers see value in options and authenticity.

But whatever its strengths, Erie's housing market and neighborhoods have been dangerously weakened by decades of disinvestment brought about by the imbalance of supply and demand.



A comprehensive analysis of the city's dwellings in the spring of 2015 revealed just how deeply disinvestment is influencing the course of Erie's neighborhoods. Key findings of this analysis include:

**Disinvestment is pervasive:** 45% of residential properties are located on or adjacent to blocks where one or more properties are visibly distressed; 39% of residential properties are located on or adjacent to blocks where at least 10% of properties are visibly distressed.

**Disinvestment is contagious:** Each year, an estimated \$96 million<sup>1</sup> is being withheld from housing and home improvement expenditures by Erie households because of poor market signals. This is money that would be spent on housing if Erie households behaved like typical American households in well-functioning housing markets.

**Disinvestment is costly:** The average sale price of a house in very good condition is \$157,000 when the house is surrounded by similar properties. That price drops to \$91,000 when the house is on a block where maintenance standards are in the middle – with numerous properties showing at least small signs of disinvestment. And the price falls to \$52,000 when that very good house is on a block that is noticeably distressed – a scenario that costs the city approximately \$1,200² in property tax revenue each year as a result of stunted property values.



<sup>1,2</sup> See Appendix J. Data Notes, pg 105.



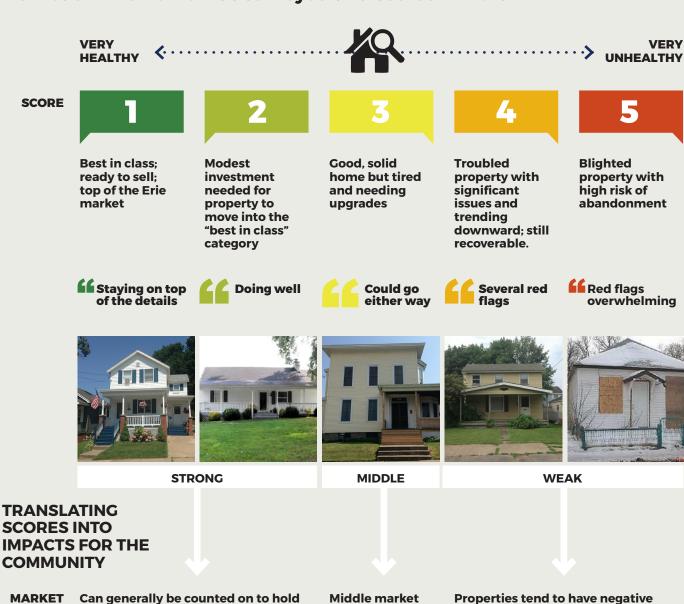
# MEASURING THE HEALTH OF NEIGHBORHOODS IN ERIE'S PLANNING AREAS

Although disinvestment influences the housing market citywide, Erie's neighborhoods vary considerably by degree of distress. Some are deeply dysfunctional while others remain among the Erie region's most desirable places to live.

For example, the 2015 field survey found that the **Frontier** planning area in the city's far northwest corner had the most marketable housing stock in Erie. There, 70% of homes were in excellent or good condition (receiving scores of 1 or 2). That contrasted sharply with the **Trinity Park, East Bayfront**, and **Little Italy** planning areas where at least two-thirds of properties showed signs of moderate-to-severe disinvestment. In between are several areas where the typical home exhibits a moderate level of upkeep – and where the next few years will be critical in determining whether that home's future is one of reinvestment or drawn-out neglect.

The geographic patterns revealed by the field survey of exterior conditions are reinforced by data on vacancy and abandonment. Data from the U.S. Census Bureau show that five planning areas exceeded the city's average vacancy rate of 10% in 2013. In East Bayfront and Trinity Park, nearly 1 in 5 housing units were vacant a large portion of which were not actively on the market for rent or sale (an indication of abandonment). At the same time, areas with vacancy rates near or just above the city average experienced a spike in vacancy over the previous decade – with the notable exception of West Bayfront and Little Italy. In areas with lower than average vacancies, the general trend since 2000 has been one of expanding vacancy. High levels of disinvestment and distress in neighborhoods close to downtown Erie - but present to some extent throughout the city - are further reinforced by an examination of concentrations of code violations and tax delinquent properties.

# How each Erie home was surveyed and scored in 2015



MARKET STRENGTH Can generally be counted on to hold value, attract buyers, and generate positive cash flow if a rental property.

Middle market houses that often represent good "buy low" opportunities that – with sweat equity and creative financing – can turn around a market. Properties tend to have negative equity and are often too expensive to recover in a weak market.

RISK

Little to no imminent risk of decline, but risk that owners may move if frustrated by nearby decline. Major risk of decline

Exerts a major drag on the market

# COMPARING **RESIDENTIAL PLANNING AREAS**

# **HIGHLY DISTRESSED East Bayfront Trinity Park**

### **DISTRESSED**

**West Bayfront** Little Italy **Pulaski-Lighthouse** 

## TRANSITIONAL. AT-RISK

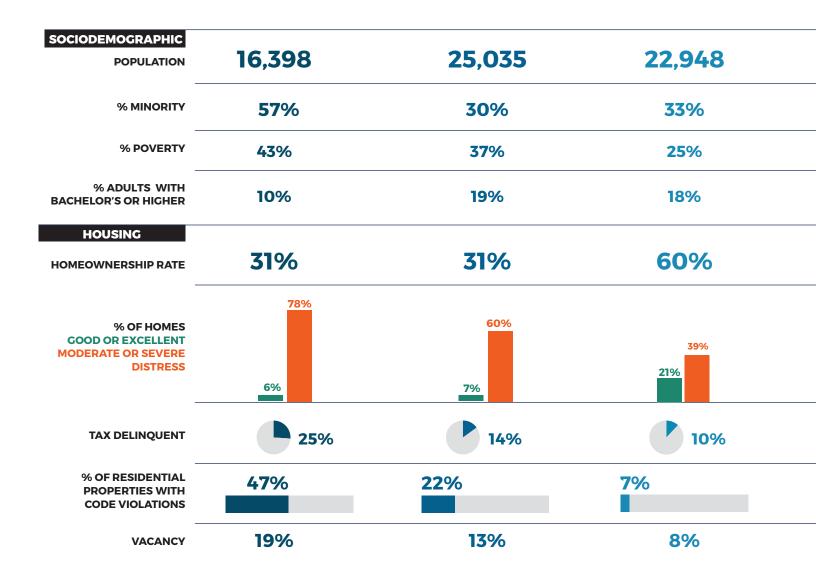
Lakeside Fairmont-McClelland **Academy-Marvintown Arbor Heights** 



STRATEGIC The most deeply destabilizing **CONCERNS** parts of the city's housing market due to the sheer number of vacant and obsolete housing units and their proximity to downtown Erie and transitional neighborhoods. Having such dysfunctional markets so close to downtown blunts the impact of recent and future downtown investments and lowers levels of confidence and reinvestment in all surrounding neighborhoods.

Have a considerable influence on downtown investments or on the health of other major assets. Although vacancy levels are at the city average, they are still too high and are dampening reinvestment in the older homes in these areas - as expressed by half or more of the homes showing very visible signs of distress.

Still have many well-maintained homes, but they are rapidly being joined by distressed properties. Without significant intervention, these neighborhoods will continue to lose ground over the next ten years and may fall into the "Distressed" category - due to neighborhood conditions or the lack of marketable features such as first-floor bathrooms and updated kitchens.





Frontier Glenwood

Solid maintenance regimes prevail although there is room for improvement. Boosting market confidence in these areas could spur investments that increase maintenance levels on many "3" properties to a "2."

A threat in these neighborhoods will be the generational changes in property ownership taking place over the next ten years. If well-maintained homes fail to find solid, owner-occupant buyers, levels of distress could rapidly increase.

For buyers looking for solid areas of well-maintained properties. Keeping it healthy and making it even more appealing is important for the city's competitiveness and overall market strength.

This typology of planning areas in Erie describes more than just the wide variation in condition by housing distress and vacancy. It also demonstrates a very close correlation between race, income, education, and residential quality of life. Nearly 60% of Erie's black and Hispanic residents, for example, live in planning areas classified as distressed or highly distressed, while only 10% of the city's black residents live in healthy or stable planning areas. Similarly, while 27% of Erie's residents live in poverty, 56% of those in poverty are concentrated in the five planning areas classified as highly distressed or distressed.

While class and racial lines have been blurring in many neighborhoods, Erie remains highly stratified by these sociodemographic characteristics.

28,919	6,796	101,786*
14%	<b>7</b> %	28%
16%	5%	27%
24%	47%	21%
<b>71</b> %	77%	51%
39% 14%	66%	<b>37% 26%</b>
5%	3%	10%
<b>5%</b>	<b>2%</b>	14%
5%	<b>7</b> %	10%

<sup>\*</sup>Downtown Erie was not categorized into any of these five typologies due to its relatively small population and residential patterns that differ considerably from the city's traditional residential patterns. That population is, however, included in the far right column that represents citywide baselines.

# UNEVEN QUALITY OF THE BUILT ENVIRONMENT

### **ASSETS AND SHORTCOMINGS**

The unappealing condition of properties and infrastructure across the city is a key damper on demand and reinvestment. Nowhere is this more apparent than in downtown Erie. For a city of Erie's size, the downtown has an enviable collection of assets – all of which serve as a strong foundation for making one of the best downtowns in America and all of which represent sizable investments of public and private resources. And yet, these assets are juxtaposed with conditions that send very mixed signals to potential visitors and investors and blunt the economic impact of Erie's treasures.

### **NUMEROUS ASSETS BLUNTED BY POOR QUALITY SURROUNDINGS**



















#### Streets that are too wide

Downtown streets were redesigned in the mid-20th Century to handle automobile volumes that either never materialized or that no longer exist due to the end of downtown as the region's retail hub. As a result, many downtown streets are too wide for the volume of traffic they handle and their emptiness further reinforces the perceived lack of business activity.

### Streets that are unattractive

Over-wide downtown streets don't look good, especially if they haven't been paved in a while. And this appearance is compounded by street fixtures and furnishings (lights, crossing signals, benches, receptacles, trees) that are missing, damaged, and poorly coordinated – a problem recognized by the city's 2010 Downtown Streetscape Master Plan.

# Walking distances that feel daunting

Downtown Erie is very linear, with almost all of its major assets and activity generators located within two blocks of State Street. A walk on State Street from 14th to the Bayfront Connector – generally recognized as the north and south limits of downtown – covers one mile. Depending on one's walking speed and time spent waiting at intersections, it can take 20 to 30 minutes. That wouldn't necessarily be a problem if every block along the way were vibrant and pleasant. But they're not there yet. If they were, it would help make a stronger sense of transition, progression, and interest from one part of downtown to another.

# Deteriorated, cluttered-looking, or poorly designed building stock

Downtown has many outstanding landmarks in great condition. But many, if not most, of the buildings in between show signs of deterioration when it comes to storefronts, signage, windows, and architectural details; present a cluttered or sloppy appearance; or were designed in ways that repel or resist pedestrians. This is made worse in front of the institutional and medical facilities at the northern end of State Street where the traditional downtown development pattern is interrupted by lawns, parking lots, or blank surfaces.

### **Empty or underutilized spaces**

In a vicious cycle, lower standards lead to lower demand, which leads to lower rents, which leads to weaker businesses. Eventually this can lead to either marginal users that do not insist on quality maintenance, or worse, empty buildings and properties.

The result is a lack of demand and a lack of capital

# borrowing power to upgrade space to attract uses with stronger demand.

One issue that must be addressed, however sensitive it may be, is downtown's high concentration of human service providers and subsidized housing. Always seeking lower cost facilities, these uses have conveniently filled empty buildings and lots during an extended period of weak market conditions. But many of these uses are incompatible with the downtown that Erie is trying to build. Prime locations for private investments that pay taxes and draw income into the city are being forfeited. If this does not change, downtown Erie will have difficulty becoming the source of financial stability that Erie needs and it won't attract the number of new residents, businesses, and customers that downtown needs to be a best-in-class city center.

# UNCOMPETITIVE IN THE REGION'S RESIDENTIAL AND RETAIL MARKETS

An obvious but little recognized reality is that just as businesses compete, so too do cities compete — with each other. They compete for strong businesses and households.

The City of Erie has competed poorly for households in the Erie region for decades. Between 1960 and 2010, a period when the city shed over 36,000 residents, the remainder of Erie County actually added over 66,000 residents.

But Erie's difficulty competing for households has been more problematic than a simple look at population can express. An examination of household income brackets and how they changed in the city between 1969 and 2013 versus how they changed in the remainder of Erie County over the same period (adjusted for inflation) shows that households with discretionary income in Erie County — who have the means to invest and reinvest in homes and neighborhoods — have overwhelmingly chosen to live outside of the city.

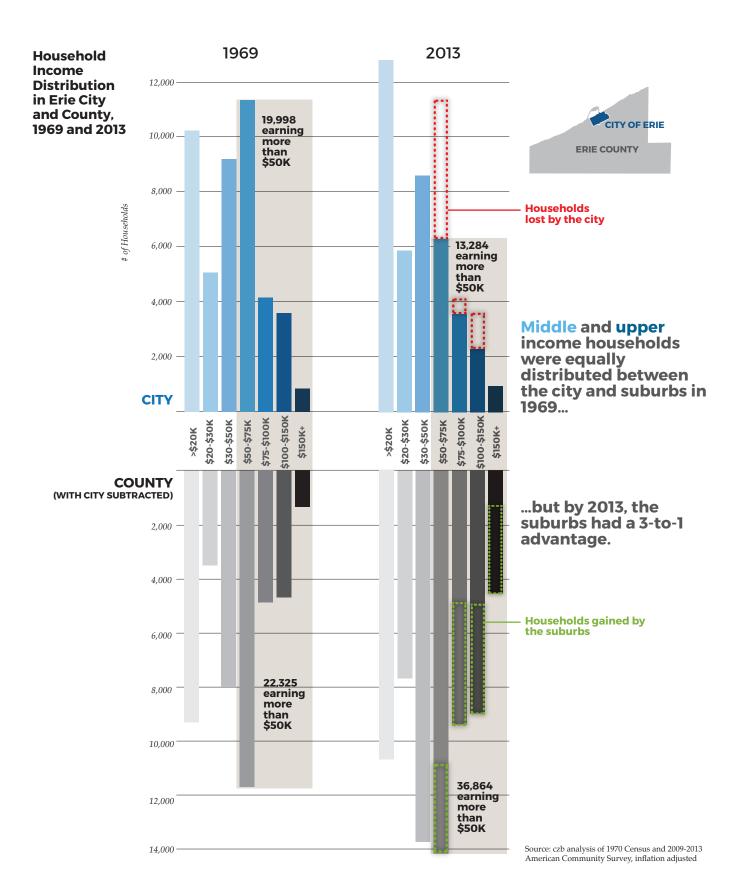
For example, in **1969** the 42,313 households in Erie County that made the modern equivalent of more than \$50,000 were almost evenly split between city and suburbs: 19,998 lived in the City of Erie and 22,325 lived in the remainder of Erie County. By **2013**, the number of households making more than \$50,000 had risen to 50,148, but they overwhelmingly chose to live outside the city, with 36,864 (or 74%) living in the suburban and rural towns of the county.

The shrinking of the middle and upper income brackets in the city has happened while the number of low income households has increased. The result: less demand stemming from fewer people and households and fewer resources on the part of the remaining households to invest in a rapidly aging, maintenance-deferred housing stock.

The problems caused by a shrinking middle class impact the market for retail space as well. With the median annual household income around the greater downtown area at \$24,000, the types of goods, restaurants, and services desired by this nearby market is of lower cost. This in turn generates lower profits and lower taxes to the city to pay for maintenance and services.

Sometimes this can be offset by the expenditures of downtown employees. However, with 70% of the population near downtown having no more than a high school diploma, it is not likely that businesses with higher paying jobs will be attracted to the area. Therefore, downtown's retail outlook will be bleak until the nearby surrounding areas are improved and diversified — and it is unrealistic to expect regional demand from people driving in to shop and eat to offset this problem.

This of course is a double-edged sword. Currently, downtown-area households shop outside of the downtown at Family Dollar and Wal-Mart. Capturing this "leaked" spending with new discount retailers in and near downtown would bring goods and services to low-income households in the East Bayfront neighborhood and would somewhat increase revenues to the city, but would not reposition downtown to succeed. Addressing the fundamentally weak demographic profile of the city is the key to unlocking commercial potential.



### SCHOOLS. SAFETY AND A HEALTHIER CITY

There are many reasons why stable households choose to live outside the city limits, but chief among them are the deeply interconnected challenges of school quality, public safety, taxes, and property values.

Most households with sufficient income to be able to choose where they live are not willing to abide the prevailing sense of disorder and concerns about public safety in the city. When they choose the townships (i.e. outside the city), their choice adds to demand in the county while exacerbating excess supply and depressed property values in the city. On their departure, public finances in the townships improve while those in the city worsen. The city's capacity to maintain infrastructure, patrol streets, and operate public schools is weakened. City taxes, forced to counter these weaknesses, must rise and become another dissuading factor.

For young families willing to make a go of it in the city, better educational opportunities in the county are a persuasive reason to leave Erie when their children reach schooling age. They too depart, becoming part of the decades-long exodus.

Lower school performance and higher crime rates are both causal and symptomatic. The cumulative effect of decisions by middle- and upper-income households to locate outside the city created a socioeconomic profile for Erie that virtually guarantees a gap between city and suburb. Almost any community with a poverty rate approaching 30% will have schools and police departments fighting an uphill battle against social ills that they are not equipped to cure.

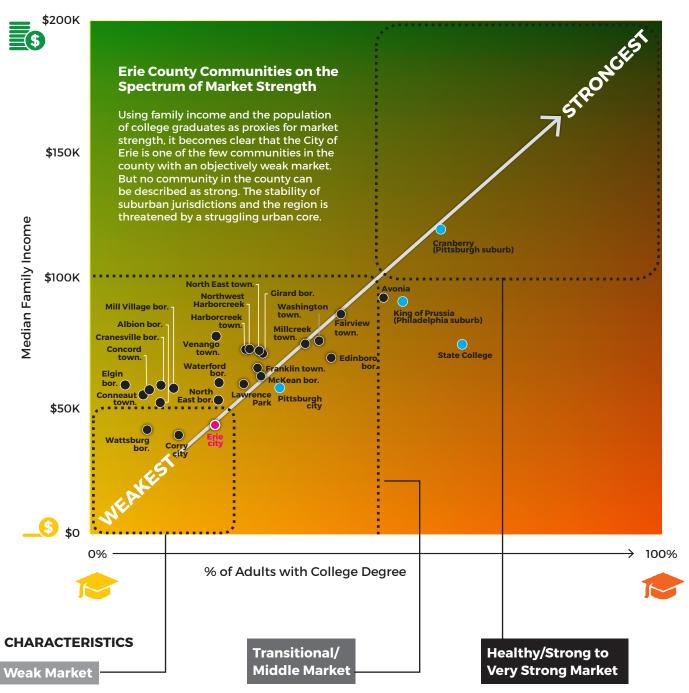
Despite falling enrollment, tight resources, and evolving state and national standards, the Erie School District's data-driven optimization plan to right-size and adaptively reuse its facilities is a model for responsible and innovative governance of urban schools. Likewise, the Erie Police Department is no stranger to the challenge of having to make tough choices that deploy limited resources.

Both the Erie Schools and the Erie Police Department have much to show for their disciplined approach to tradeoffs. Nevertheless, neither will be able to achieve conditions on par with the suburbs until the city's demographic profile changes — until poverty becomes much less concentrated and the city has a more equitable share of the county's middle and upper income residents.

Erie can do much, but regional cooperation is essential. This plan establishes guiding principles and recommends strategies that are intended to close the demographic gap between the city and its suburbs. Making the city and its neighborhoods highly desirable to households with resources and options is the key to this. But surrounding communities must also play a role by eliminating the policy barriers — such as exclusionary zoning — that constrict the housing options of low income households.



Harding School, one of the city's high-performing schools



Property values are low relative to region

Poverty rates are unacceptably high, often beyond a tipping point

Fiscal capacity is low

Lack of housing affordability is more likely a function of very low incomes, not high property values; further affordable housing development could undermine an already weak

May not be ready for many revitalization strategies until drastic changes take place (right-sizing of building stock, deconcentration of poverty, public safety initiatives)

Property values could be stable and

growing or weak

Poverty rates at a tipping point or growing close to tipping point Fiscal capacity exists, but might be threatened

Housing is still affordable but upper end of spectrum must be vigilant

Fertile ground for strategic revitalization efforts that take advantage of existing community capacity

**Direction of trends is critically** important

Generally, finite resources should be focused on economic sustainability before housing affordability

High or very high property values Low poverty rates

Often suburban and/or low density but not always

**True housing affordability** problems

Interventions should focus on social equity, affordable housing, and economic mobility for low income households







# ERIE'S DESIRED FUTURE

Addressing the key findings of this Comprehensive Plan means working toward a future Erie that is highly competitive



and financially stable — one where sufficient resources exist to achieve a high level of maintenance for public infrastructure, where reinvestment in private property is the norm, and where businesses and households with options choose to locate. That particular Erie is an objective that can be described by three broad outcomes.

# A CITY OF GREAT PLACES

Erie has a long history of "placemaking," or creating public spaces that people deeply value and that are a core part of a community's identity. Perry Square, Frontier Park, the streets of Glenwood, the towers of St. Stanislaus, the Caretaker's House at Sigsbee Reservoir — these and many other indelibly "Erie" features have the power to inspire and to create strong emotional bonds between people and place.

Few investments of the past half century have had the same magnetism as Erie's earlier feats of great civic design. But with a commitment to the principles and strategies in this plan, Erie will enter a new era of great placemaking — building on its location and outstanding design inheritance to create or burnish places that build confidence, that signal high standards, and that attract and retain households and businesses.

This outcome will be realized with particular attention to the following specifics:

**DOWNTOWN** The spaces currently separating and limiting downtown's great assets become part of downtown's magnetism — beautiful streets and mixeduse structures that make the city center a great place to live, work, visit, and walk.

**BAYFRONT** The Bayfront becomes not just a place of parked cars and big buildings where people come to see the water, but a mixed-use urban experience that leverages a world-class asset and is well integrated with downtown and adjacent neighborhoods.

**ENTRYWAYS** Infrastructure on gateway corridors and other high traffic streets is attractive and always in a state of good repair — sending a strong signal about the city's commitment to competence and high standards.

**NEIGHBORHOOD INTIMACY** Interesting and unexpected neighborhood spaces lend a sense of identity that creates value and attracts homebuyers.

# A CITY OF HIGH RESIDENTIAL QUALITY OF LIFE

Limited signs of distress, high levels of reinvestment by owner-occupants and landlords, engaged residents, well-maintained public amenities, safe and clean streets, housing options for a wide variety of household types, excellent schools — these are basic descriptors of neighborhoods that attract and retain middle class households and that help maintain a financially sustainable city. The number of areas that consistently fit this description has been falling in recent decades, but will change as the principles and strategies in this plan are applied.

# This outcome will be realized with particular attention to the following:

# CONSISTENTLY WELL-MAINTAINED PUBLIC AMENITIES

When parks, street furnishings, and other public facilities are well cared for, the city sets a strong example that resonates to private property owners.

# PREDICTABILITY AND SAFETY, OR AN ABSENCE OF DISORDER

Order and predictability are building blocks of confidence and reinvestment.

### HIGH LEVELS OF HOMEOWNERSHIP

Rental options are an important part of a balanced and accessible housing stock, but a stable or growing rates of homeownership — especially in single-family neighborhoods — is a proxy for confidence and healthy demand.

# A CITY OF ECONOMIC STRENGTH AND STABILITY

Cities don't create jobs, but they can create an environment where competitive advantages exist and where businesses operate to exploit those advantages. In the 21st Century, this includes having an amenityrich city with a high quality of life where skilled workers and entrepreneurs choose to live and work (see Outcomes 1 and 2), as well as a culture that rewards risk-taking and encourages collaboration. As the Erie community fosters the environmental and cultural attributes that create competitive advantages, its economy will grow stronger, more diverse, and more stable.

# This outcome will be realized with particular attention to the following:

Ensuring the presence of sufficient volumes of highly flexible, **locally-generated venture capital** — higher in per capita quantity and greater in flexibility than what is available in competitor cities such as Buffalo.

A high percentage of **residents with college degrees** — higher than the state average.

A large and healthy **cohort of young adults** — larger than the city's regional share of total population.

Presence of new and **sustained partnerships** in and across various sectors.

# **MEASURING PROGRESS**

How will Erie know if it's making progress toward these broad outcomes and becoming more competitive and desirable?

The following are key measures that will indicate progress.

The way to use these metrics is for the city and its partners –

**ASK BEFORE ACTING** 

public, nonprofit, private – to ask this question before acting:

Will our action measurably and meaningfully help achieve the measures described in this comprehensive plan?

If not, they should probably not be done.

# **RESIDENTIAL PROPERTY VALUES ARE RISING**



As supply and demand become more balanced and signs of distress begin to dissipate, the marketplace will respond by placing a higher value on residential properties. Buyers will offer more money to compete for good houses in desirable neighborhoods — and higher purchase prices will be reflected by higher assessments.

The taxable assessed value of Erie's residential properties should rise at an average annual rate that exceeds inflation over the next 20 years.3

If what we are about to do is not likely to result in an increase in property values, it probably should not be done.

**ASK BEFORE ACTING** 

# **RESIDENTIAL VALUE GAP IS CLOSING**



As Erie's neighborhoods become more desirable, not only should values rise but they should regain lost ground and close the sizable gap between city and county home values. In 2014, owner-occupied homes in the City of Erie had a median value that was 72% of Erie County's median value (\$84,700 versus \$117,200).

The gap should continually shrink and be fully closed by 2040.

If what we are about to do is not likely to result in closing the gap between property values in the city and in the county, it probably should not be done.

**ASK BEFORE ACTING** 

<sup>&</sup>lt;sup>3</sup> See Appendix J. Data Notes, pg 105.

# REINVESTMENT BY RESIDENTIAL OWNERS APPROACHES NORMAL, HEALTHY LEVELS



Lack of confidence in the city's housing market has resulted in a considerable "reinvestment deficit" of \$96 million. This is the amount of money that Erie households would be spending on housing and home improvements if their spending behaviors mirrored those of the average American household. In other words, it's money that Erie property owners have available to spend — but they are choosing not to spend it on exterior or interior home improvements.

As the market stabilizes and confidence grows, the reinvestment deficit should shrink to \$0 over the next 20 years.

If what we are about to do is not likely to result in promoting measurably healthy levels of reinvestment

**ASK BEFORE ACTING** 

by residential property owners, it probably should not be done.

# DOWNTOWN PROPERTY VALUES ARE RISING



Downtown has been the focus of considerable investment over the past few decades and much more needs to be invested to make it a truly great place. If adequate and strategic, these investments will create a downtown where property values are rising at a rate that will strengthen and expand the city's financial capacity to reinvest in itself.

The taxable assessed value of downtown Erie should rise at an average annual rate that exceeds inflation over the next 20 years.<sup>4</sup>

If what we are about to do is not likely to result in growing the value of Downtown Erie real estate, it probably should not be done.

**ASK BEFORE ACTING** 

<sup>4</sup> See Appendix J.Data Notes, pg 105.

# GENERAL FUND REVENUES FROM LOCALLY DERIVED TAXES ARE STRONG AND SUSTAIN HIGH LEVELS OF MAINTENANCE AND INVESTMENT

Through sound fiscal management, Erie has achieved a solid credit rating and a track record of balanced budgets. If the intended outcomes of this plan are achieved, it will be easier to balance the budget year after year — but it will also be easier to fund departments and projects at the levels necessary to ensure very high standards of service and infrastructure maintenance.

Currently, revenue raised from property, income, and sales taxes represent just under 60% of general fund revenues for the City of Erie — with the remainder coming from federal and state reimbursements, grants, fees, and other sources. As the city's tax base grows and it becomes more competitive for middle and upper income households, the share of the general fund derived from the fundamental local revenue tools (property, income, and sales) should cover more than 70% of all expenses.

If what we are about to do is not likely to result in a high level of public reinvestment

**ASK BEFORE ACTING** 

in strengthening and maintaining our infrastructure, it probably should not be done.

# THE CITY IS COMPETING WELL FOR EDUCATED YOUNG ADULTS IN THE ERIE REGION



College-educated young adults (ages 25-34) are mobile and have options. They are, in fact, the most transient adult cohort, testing different career options and lifestyles before choosing to settle in a particular place. The good news is that the City of Erie has been performing well when it comes to capturing the interest of this population in the Erie region. The number of college-educated young adults living in the City of Erie increased by 33% between 2000 and 2014, going from 3,300 to 4,400. This represents a higher share of educated young adults in the Erie region (39%) than the city's overall share of the region's population (36%). This means that they are choosing to live in the city at a disproportionately high rate — and mirroring recent trends nationwide.

Members of this cohort are a critical part of the city's present and future entrepreneurial ecosystem — starting businesses, patronizing new businesses, and filling important roles at existing companies and institutions. As they age and start families, they will decide whether to stay in the city, move to the suburbs, or move to some other region.

Over the next 20 years, the City of Erie will remain — and strengthen its position — as a location of choice for educated young adults by attracting 45 to 50% of the cohort's total population in the Erie region.

If what we are about to do is not likely to result in increasing the city's share of young adults in the

**ASK BEFORE ACTING** 

region, it probably should not be done.

# MOVING TOWARDS A FAIRER REGIONAL SHARE OF POVERTY AND WEALTH



Concentrated poverty has long been a problem in the Erie region — one that inhibits the ability of poor families to escape poverty and for the City of Erie to achieve financial stability. Currently, the City of Erie contains 36% of Erie County's residents but 59% of the county's residents living in poverty. This is reflected in a city poverty rate of 27% versus a countywide poverty rate of 17%. But huge gaps also exist within the city, where the residential planning area with the highest poverty rate (East Bayfront, 46%) has poverty levels nearly 10 times as high as the area with the lowest rate (Glenwood, 5%).

As the desired outcomes of this plan are realized — as more middle income families choose to locate in the city, including core neighborhoods — these regional and internal gaps will begin to shrink.

To get there, not only must the city become more competitive for middle income households, but outlying communities in Erie County must make greater commitments to regional equity.

If what we are about to do is not likely to result in a more socio-economically balanced city, it probably should not be done.

**ASK BEFORE ACTING** 

# AN ACTIVE AND GROWING VENTURE CAPITAL OR SEED FUND



A growing number of regions, including in Pennsylvania, have venture capital funds that are dedicated to investing in local startup companies and to attracting investments from venture capitalists outside the region. A fund in the Erie region has been documented as an economic development goal. As Erie realizes its outcomes, especially with regard to economic dynamism, it will measure progress in such basic ways as job numbers and unemployment rates — but the presence of an active and growing venture capital or seed fund will be an indicator that startup enterprises are finding support and that local entrepreneurs are being rewarded in Erie for taking risks that have the potential to lift the region.

Of course, the overall goal is to implement with an eye towards all of these aims in balance. No single objective by itself need be determinative, though it may.



# A BASIS FOR GETTING IT RIGHT

Countless decisions, large and small, will influence Erie's ability to realize its desired outcomes — to be a great place, to have livable neighborhoods, and to cultivate a strong and stable economy.

Which roads to rebuild, which homes to rehab, where to bolster the presence of police, how to shape development on the Bayfront — these are just a few of the decisions that have both immediate and lasting consequences. Many are made in City Hall, but other decisions made outside City Hall can be equally consequential, whether they are made by a block club leader, a small business owner, or a college president.

If decisions that have a collective and cumulative impact on the city's long-term competitiveness are being made by so many separate public and private entitites and individuals, how can we ensure that everyone is "pulling in the same direction" with broader goals in mind? The answer is a simple, straightforward set of guiding principles that clarify how even simple choices can contribute to a stronger Erie.

### A CIVIC DOS AND DON'TS GUIDE FOR COLLECTIVE IMPACT



# DO CONCENTRATE INVESTMENTS IN TARGETED AREAS

Focused investment over a sustained period builds confidence and value that boosts overall market demand such as coordinating street, utility, sidewalk, and park improvements in specific neighborhoods each year, rather than spending some here, some there.



# DON'T DIFFUSE RESOURCES

Spreading limited resources ensures that nothing receives a truly transformative level of investment. It feels fair, but it is neither sustainable nor effective.

# Observations on Erie

Downtown Erie has a very large, linear footprint. As a result, spreading resources across downtown will have a limited impact and fail to transform the downtown marketplace. Resources should be steered to targeted areas to make them great — and build the demand for broader investment.

# DO PROTECT AND LEVERAGE ERIE'S ASSETS

Making the city's core assets – downtown, the Bayfront, its strong neighborhoods and institutions – as strong as possible will stimulate demand and bolster the city's financial position.

# DON'T USE A DEFICIT-BASED APPROACH TO REVITALIZATION

Reacting to problems rather than building on strengths leads to a perpetual state of crisis management and steers attention and energy away from the city's strengths. The magnitude of property distress, poverty, and economic anxiety makes it easy to fixate on — and be overwhelmed by — problems. This is why actions in Erie must be convincingly focused on marketable assets that the action is strengthening or protecting. If an action isn't clearly tied to advancing an asset, it's diverting energy and resources from ones that do.

# DO SUPPORT AND BUILD ERIE'S MIDDLE

Erie must be desirable to the middle class as a place to live, work, and visit. Decisions must be made with the middle in mind. Prioritize investments in "things the middle class values."

# DON'T INVEST ON A WORST-FIRST BASIS

Making a habit of steering resources to the most deteriorated infrastructure or troubled area results in very few things being continuously well-maintained — which dampens demand and the city's financial capacity to make any investment.

Resources to improve Erie neighborhoods are often directed to the most distressed areas — and are almost always inadequate to the task. Meanwhile, stable areas get relatively little attention and begin to slip. Investing in the short run to keep stable neighborhoods healthy will do more to strengthen the city's finances and help demand recover citywide.

# DO REASSERT ERIE'S PEDESTRIAN SCALE

Development in Erie must respect the city's pedestrian-centered origins. Downtown, the Bayfront, and neighborhoods will be recognized as great places when they prioritize pedestrian comfort, safety, and interest.

# DON'T DESIGN FOR AUTOMOTIVE CONVENIENCE

Development and infrastructure that prioritizes the comfort and speed of drivers does not make the city more pleasant and desirable. Recent development on the Bayfront has featured an abundance of structured and surface parking which cannibalizes prime waterfront sites, makes Bayfront more difficult to explore on foot, and heightens the sense of isolation from downtown.

# APPLYING THE PRINCIPLES

### **COMPREHENSIVE PLAN PRIORITIES**

The priority areas and projects outlined in the AREAS OF WORK and STRATEGIES & PROJECTS were selected because they activate the plan's core principles. Implementation of these priorities is intended to occur in addition to the city's general fund allocations.

#### **EXAMPLE 1**

A program is established to focus matching grants aimed at stimulating homeowner reinvestment in areas where a significant return is most likely (particularly blocks that already have demonstrable market strength or stability).

### **EXAMPLE 2**

The city and its partners make efforts to better connect downtown and the Bayfront a priority — recognizing that doing so strengthens two major assets and allows Erie's human scale to re-emerge. While expensive and time consuming, the connection is also seen as an opportunity to demonstrate self confidence, perform decades-overdue physical repair, and reinvest the many dividends locally through WPA-style civilian corps efforts, iconic architecture, and civic-level beautification.

### **CITY OF ERIE GENERAL FUND**

The City of Erie allocates over \$70 million annually toward basic city functions, including police, fire protection, code enforcement, parks, public works, and administration. When opportunities arise to spend those funds in ways that align with the general principles of this Comprehensive Plan, the city should consider seizing them to lead by example.

#### **EXAMPLE 1**

With resources currently allocated for code enforcement, the city initiates enforcement sweeps in areas identified in the plan as healthy, stable, or transitional – recognizing that disorder and distress in those areas are the greatest hindrance to residential reinvestment and the competition for middle income households.

#### **EXAMPLE 2**

When the city chooses where to plant trees, it targets its tree planting and maintenance resources in areas where significant public or private investments are occurring in order to maximize investment impact.

### **NOT-FOR-PROFIT SECTOR**

Organizations that take a leadership role in revitalizing neighborhoods or commercial districts will play a critical role in realizing this plan's intended outcomes by integrating these principles into their own programs.

#### **EXAMPLE 1**

The Sisters of St. Joseph Neighborhood Network, operating in Little Italy, focuses its housing revitalization activities in concentrated areas near citywide assets and prioritizes beautification and blight remediation efforts along high-visibility corridors.

# **EXAMPLE 2**

When applicants seek funds from the Erie Community Foundation to contribute in some way to neighborhood, downtown, or Bayfront revitalization, the foundation asks for an explanation of how the project applies the Comprehensive Plan's principles and then uses the principles to vet the grant applications.

### **PUBLIC AGENCIES**

The Erie Redevelopment Authority, Erie Public Schools, the Port Authority, the EMTA, and other local and state agencies invest millions of dollars each year in city assets — levels that often greatly exceed annual spending by the city itself and thus have the potential to be critical players in the realization of this plan's outcomes.

#### **EXAMPLE 1**

The Erie Redevelopment Authority focuses housing rehabilitation, construction, and demolition projects in concentrated areas that either strengthen stable blocks or that protect critical assets.

### **EXAMPLE 2**

A land bank, when established, prioritizes the demolition or renovation of blighted properties on otherwise stable blocks. In distressed neighborhoods, it assists partners in assembling, cleaning, and greening vacant land.

### **EXAMPLE 3**

PennDOT and its partners modify the Bayfront Connector to create an iconic connection between downtown Erie and the Bayfront.



# FOCUSING RESOURCES FOR HIGH IMPACT

The guiding principles embedded in this plan — to concentrate resources, to focus on assets, to strengthen the middle, and to reassert the human-scale of Erie — are broadly applicable. But to have maximum impact, it is necessary to apply them within a geographic framework that recognizes market variations across the city and the need for strategies tailored to fit particular neighborhoods as well as overarching city priorities.

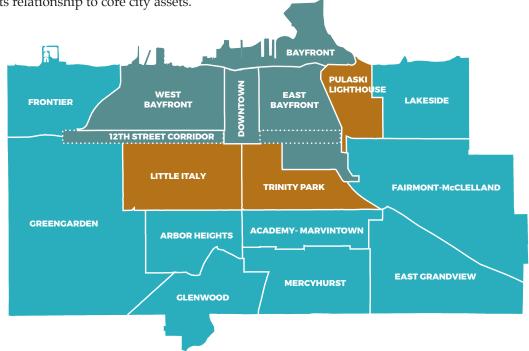
To provide such a framework, this plan has identitified **three strategy-based categories for the city's planning areas** that are based on an area's market strength and its relationship to core city assets.

CORE
STRENGTHENING
Strategies for a Strong
Regional Core

NEIGHBORHOOD STRENGTHENING Strategies for Healthy Neighborhoods

STABILIZATION Strategies for Reducing Neighborhood Distress

Three Focused Strategic Areas



CORE STRENGTHENING

#### WHY A CORE STRENGTHENING STRATEGY?

Strengthen and protect Erie's downtown and Bayfront — two of the region's biggest assets and the key to creating an amenity-rich city that competes for households and businesses at a high level. A world-class downtown and Bayfront surrounded on both sides by healthy neighborhoods and augmented by a vibrant 12th Street corridor will put the city in a strong financial position and support neighborhood revitalization and stabilization efforts citywide.

This zone includes planning areas at and surrounding the Erie region's core — downtown, the central Bayfront, the neighborhoods that flank downtown to the east and west, and the 12th Street corridor. Although East Bayfront features levels of distress that are consistent with the city's "Stabilization" areas, its proximity to downtown and critical assets put it into strategic alignment with the "Core Strengthening" areas.

NEIGHBORHOOD STRENGTHENING

#### WHY A NEIGHBORHOOD STRENGTHENING STRATEGY?

Make Erie's healthy, stable, and transitional neighborhoods stronger and more sustainable by creating an environment where reinvestment and community engagement are routine. These are middle-market zones where there is considerable market strength to leverage if confidence can be boosted or restored — but that strength is eroding and will continue to erode without intervention. Neither a strong regional core nor a financially strong city can be achieved without middle-market residential areas where quality of life and levels of demand are high.

This zone includes nine planning areas that border neighboring municipalities and form a "U" around central Erie.

**STABILIZATION** 

#### WHY A STABILIZATION STRATEGY?

Distressed neighborhoods that border Erie's main railroad corridor and industrial zones need to find stability for Erie to thrive. High levels of blight need to be mitigated, vacancy rates need to drop, vacant land needs to be properly managed and maintained, and important assets should serve as focal points for repositioning resources and changing internal and external market perceptions.

This zone includes the Little Italy and Trinity Park planning areas south of downtown, and the Pulaski-Lighthouse planning area on the east side of the Bayfront Connector.



## TAKING ACTION

First and foremost, this plan is about applying clear principles and strategic thinking when deciding how to allocate limited resources. As such, the contents of this section should not be treated as a static checklist but as an "idea" or "pattern" book for implementation that identifies strategies and projects that, under current conditions, represent a high degree of fidelity to the plan's principles and the community's desired outcomes. As conditions change, so too should the slate of strategies and projects.

These strategies are summarized and then described in greater detail by the Areas of Work. For each planning area in the city a strategy and project diagram — including reference maps — has been created to show how conditions and assets are geographically distributed, and how resources and tools can be focused to align with the plan's principles.

## **CORE STRENGTHENING**

DOWNTOWN	Stimulate market- rate residential and mixed-use development at targeted nodes	Build consistent, high quality downtown streetscapes – starting with State Street	Organize downtown spaces using "district" geography	Begin relocation of human service functions to areas beyond the central business district
BAYFRONT	Create an iconic connection between the Bayfront and downtown	Prioritize mixed-use, pedestrian-focused redevelopment on Bayfront property	Leverage Bayfront property as an income-generating resource for the city	
12TH ST CORRIDOR	Practice iconic placemaking strategies at 12th & State	Stimulate redevelopment of industrial properties as mixed-use spaces	Assemble tax incentive and financing tools to encourage business location	
EAST BAYFRONT	Establish a network of new parks via targeted demolition & land assemblage	Re-focus public and private investment around historic landmarks and newly created parks	Utilize demolition and vacant land management as job training and development opportunities	
WEST BAYFRONT	Encourage reinvestment by homeowners on stable 'middle market' blocks	Perform targeted demolition and rehab in proximity to assets and stable blocks	Invest in streetscape improvements along gateway corridors and downtown edges	



## **DOWNTOWN**

## Stimulate market-rate housing and mixed-use development in targeted downtown nodes

Downtown Erie is not failing, at least when understood within the context of broader national trends and compared to other cities in its peer group. This is not because it has somehow managed to recapture a bit of its earlier massmarket appeal, but because its stewards have done an admirable job taking advantage of the specific niches where it remains competitive. Its continued revival will require a laser-like focus to optimize the potential of Gannon, UPMC Hamot, and Erie Insurance in ways not yet done, with specific attention to live music venues, cross-over concepts, and other off-campus services.

Transitioning downtown's older properties into appealing, in-demand facilities that meet current market needs takes considerable effort and resources — and developers willing to take a risk. Given Erie's soft real estate market, a strong set of tools must be in place to help limit a developer's risk. Without such measures, development will not occur at the scale and pace necessary to transform downtown and to ensure that investments in public infrastructure pay off.

### **EXAMPLES / TOOLS**

#### **Cincinnati Equity Fund**

Established in 1995 to provide financing for market-rate housing in central Cincinnati, the CEF has made over \$132 million in loans resulting in \$843 million in total development — enabling projects that would not happen without CEF involvement. CEF's products offer 2-4% interest rates, funding for pre-development costs, and no pre-sale or preleasing requirements.

#### **Historic Preservation Tax Credits**

Almost two dozen properties in downtown Erie are currently listed on the National Register of Historic Places, making them eligible for the 20 percent federal income tax credit that supports substantial and historically-sensitive renovations to income-earning properties (as well as a limited supply of state tax credits offered by Pennsylvania). To expand the potential utilization of this tool, in tandem with other tools, all of downtown Erie should be nominated to the National Register, which would make 100+ additional properties eligible to use these credits.

Historic tax credits can be utilized by the developer and their investors or syndicated. Because syndication often involves legal and accounting fees that are prohibitive for small projects, many developers seek out local equity partners (individuals or companies) that have large tax liabilities and could use the credits.

## Make downtown streetscapes consistent, high-quality, and user-friendly – starting with State Street

The 2010 Downtown Streetscape Master Plan offers excellent guidance on this front. But it will be slow to happen unless Erie finds ways to pay for these improvements. Although state and federal funds can be tapped for this work, the city must commit local funds to leverage those sources and have the financial capacity to maintain its improvements.

## **EXAMPLES / TOOLS**

## Leverage strong bond rating and borrowing capacity

Thanks to sound fiscal management, the City of Erie has a strong bond rating and an enviable borrowing capacity for a city in its position. This capacity could be strategically leveraged to invest in downtown infrastructure work that — in tandem with other tools and strategies — will be most likely to build the city's tax base and further strengthen its financial position.

## **Tax Increment Financing (TIF) District**

An alternative, or complement, to using the city's general borrowing capacity is the creation of a TIF district in downtown Erie. The district would use growth in property values to finance value-enhancing improvements. Over the life of the district, realized gains in property values would be reinvested in the district.

## Make distances within downtown more manageable by using districts to define space

Recent downtown plans have grappled with the issue of distance and size by recommending that downtown be defined by districts. This should be a priority. The districts need to be distinct and descriptive, and they must aid visitors in navigating and mentally mapping the downtown. As part of using districts to better organize downtown space, it is critical to link the health care cluster around UPMC Hamot physically and economically with Erie Insurance and Perry Square.

This area has the critical mass of employees and visitors necessary to be an amenity and service rich node for downtown. To live up to its potential, the institutional and commercial fabric of this area needs to blend together in a much more coherent way.

## Begin planning for the relocation of human service functions

Many cities are struggling with the need to capitalize on downtown revitalization efforts by transitioning traditional human service functions away from downtown locations, where tax-exempt or underutilized facilities should be prime targets for private redevelopment, and toward alternative transit-accessible sites where agencies can be housed in more modern and functional settings. While not all human service agencies should be considered for relocation, many agencies and their clients would be better suited for alternative facilities where operating costs and access are more favorable.



## **BAYFRONT**

## Create an iconic connection between the Bayfront and downtown

Downtown and the Bayfront feel far apart, with transitional areas including the slope down State Street and the Bayfront Connector that do not facilitate the safe and comfortable movement of pedestrians and bicyclists. Connecting these two critical assets must accomplish four goals simultaneously:

- Address the scale issue that makes the distance between downtown and the Bayfront feel vast and intimidating;
- Weave together assets in the transitional area between downtown and the Bayfront, including the marina and UPMC Hamot;
- Resolve the conflicting requirements of different users in a way that results in a much more safe and pleasant experience for pedestrians and bicyclists, and in traffic patterns that ensure rapid access to UPMC Hamot and limited gridlock for automobiles; and
- Create a public space that contributes both to downtown and to the Bayfront as distinct and yet connected civic places and which, in a resulting signature quality level of finish, becomes an economic development generator in its own right.

All four issues can be addressed by a single project that would, by its very nature, become an iconic feature for Erie: a structure that would provide a high-quality transitional experience for pedestrians and bicyclists between downtown and the Bayfront by separating them from traffic and taking advantage of the dramatic change in elevation.

#### **EXAMPLES / TOOLS**

Three projects in other cities provide models for considering such a structure:

## Olympic Sculpture Park, Seattle (\$75M)

Built by the Seattle Art Museum as an exhibition space for sculptures, the park takes users down a steep slope between downtown Seattle and the waterfront with a series of ramps that cover a railroad line and busy expressway. It provides safe passage to the waterfront along with commanding views of the city and Puget Sound.

### Penn's Landing, Philadelphia (\$250M)

Two "park bridges" currently span I-95 in Philadelphia to connect Center City with Penn's Landing on the Delaware River. Plans have been developed to improve and enlarge the northernmost bridge (I-95 Park) into a sloping, 11-acre park.

#### Ross's Landing Park, Chattanooga (\$60M)

A system of steps, ramps, and a parkway underpass provide passage from downtown Chattanooga to the banks of the Tennessee River.

## Leverage Bayfront property as an income-generating resource for the city

Bayfront property has outstanding potential to generate revenue for the city — but not if valuable land is sacrificed for parking lots and garages, and not if tax incentives are so generous as to leave the city with little or no actual revenue benefit. Rather than allowing past precedents to shape the terms of future projects on Bayfront property, the city must treat the land as the prized commodity that it is and demand commensurate revenues.



## 12TH STREET CORRIDOR

In Erie's 21st Century economy, downtown and the 12th Street corridor need to serve two distinct and interrelated functions. State Street through downtown needs to be a place for creative thinking, administration, and business/consumer services, and the 12th Street Corridor needs to be a place where things are made.

A similar relationship existed between the two areas in the early 20th century. But to establish the contemporary equivalent of this connection, a set of strategies addressing the physical environment and economic development need to be implemented.

## Iconic place-making at 12th and State

The intersection of 12th and State must be designed to symbolize the transition between downtown and the industrial character of the 12th Street Corridor — to make it clear to those passing through it that this is the nexus of Erie's creative culture and its entrepreneurs. This part of State Street already possesses a certain level of grittiness, which is an asset. The goal should be to create a node that feels gritty and complicated, yet sophisticated. The streetscape treatment here should be part of the development of downtown districts, but it should also extend along the 12th Street Corridor.

## Redevelopment of industrial properties as modern, mixed-use workspaces

The conversion of vacant or underutilized industrial facilities into shared-access "makerspaces" is driving redevelopment in urban innovation districts around the world. Although Erie has plenty of character-filled industrial facilities that could serve this role (especially along the 12th Street corridor), the idea is relatively untested and therefore risky to local developers.

To prime this activity, there should be an effort to create "innovation nodes" along the 12th Street corridor — the earliest of which are likely to require a combination of private equity and public investment. An example of a possible node is a complex of red brick buildings on 12th between Chestnut and Myrtle. A \$15 million project at this 3-acre site could include conversion of an old rail siding into a high-quality public space and the remediation and redevelopment of the industrial buildings into simple, flexible spaces.

A collection of similar projects within a half mile of the intersection at 12th and State would begin to change the complexion and use of the 12th Street corridor and provide a setting that would become magnetic to entrepreneurs in the Erie region and to further private investment in the corridor's real estate

## Tax incentives for clustering among new, relocating, and expanding businesses

For 12th Street to be transformed over the next ten years, businesses need to be attracted by the character of the location itself — great connections to downtown, interesting building stock, a cool streetscape — but also by incentives that make this corridor extremely compelling from a cost standpoint. A package of inducements should be created specifically designed to make this corridor the economic engine that it needs to be.

With the right components, the 12th Street corridor could be repositioned to become something that represents a radical departure from traditional economic development. From the Brookings Institution:

Conventional urban revitalization efforts emphasized the commercial aspects of development (e.g., housing, retail, sports stadiums). By contrast, innovation districts help their city and the region move up the value chain of global competitiveness by growing the firms, networks, and traded sectors that drive broad-based prosperity. Instead of building isolated developments, innovation districts focus extensively on creating a dynamic physical realm that strengthens proximity and knowledge spillovers. Rather than focus on discrete industries, innovation districts represent an intentional effort to create new products, technologies and market solutions through the convergence of disparate sectors and specializations (e.g., information technology and bioscience, energy, or education).

To become a genuine innovation district, a collection of economic, physical, and networking assets need to be present in a concentrated area. Erie is in a good position to achieve this because of its high share of employees in advanced industries (thanks, in large part, to General Electric). Although much of what happens in innovation districts flows naturally from the colocation of research centers, entrepreneurs, venture capitalists, and others, ensuring that a district emerges in Erie will require intentional cultivation and coordination.



## **WEST BAYFRONT**

West Bayfront has the potential to be one of the best urban neighborhoods in the Great Lakes region, owing to its historic architecture, its views of Presque Isle Bay, and its proximity to downtown amenities. Gannon University and other community partners have been leading efforts to stabilize and revitalize the neighborhood and have made a noticeable difference.

But as the West Bayfront's designation as one of the city's "Distressed" planning areas indicates, much work is still needed to make West Bayfront a strong market with healthy levels of reinvestment. The strategies listed here are designed to leverage the West Bayfront's existing market strength and its assets.

## Encourage reinvestment by homeowners on stable blocks with high leverage value

## Matching grants for clustered home improvements:

Often, confidence on stable but transitional blocks can be restored through a sense of collective reinvestment — where a homeowner is improving their home and can see that others on the block are doing the same. In this way, reinvestment can be just as contagious as disinvestment. One way to stimulate a sense of collective reinvestment is through a program that provides matching grants to groups of property owners who are committed to home exterior upgrades.

## **Example**

## Renaissance Block Challenge, Jamestown, NY, and Oswego, NY

The Renaissance Block programs in these small, weak-market cities provide small matching grants of \$1,000 to \$2,000 to clusters of at least five property owners. The grants support visible exterior improvements, such as landscaping, painting, and porch repair. Neighbors must self-organize and apply to the program as a group.

Particular blocks of the West Bayfront will yield greater returns through this form of activity than others. These blocks are places where investments that move a house from a "3" score to a "2" are most likely to yield improvements in market value. The strategy reference map for the West Bayfront shows where those blocks are located.

#### Financial tools for historic home renovations

Over 100 buildings in the West Bayfront are listed on the National Register of Historic Places through the West Sixth Street Historic District, along with numerous other buildings that have local historic designations. The presence of the district is a tremendous marketing asset for the neighborhood and could be used to stimulate reinvestment throughout the West Bayfront by providing tools to assist property owners with costly renovation work.

## **Example**

## Residential Façade Improvement Program, Pittsburgh, PA

The Urban Redevelopment Authority of Pittsburgh offers a matching grant of up to \$5,000 for eligible exterior improvements that contribute to a neighborhood's architectural fabric.

#### 203k Rehab Loans

These federally-insured home loans allow a qualified applicant to finance the purchase and renovation of a house in the same loan instrument. In Erie, PNC Bank and Liberty Mortgage Corp. are FHA approved lenders. Prospective buyers of older homes should be aware of this financing option.

## **LERTA (Local Economic Revitalization Tax Assistance)**

Continue the West Bayfront's designation as a LERTA target zone for tenyear graduated tax abatements on qualified residential improvements. Advertise the program and its application process widely — especially to owners of historic homes — to maximize participation and the program's potential to spur reinvestment.

#### **Historic Homeowner Tax Credit**

Currently, Pennsylvania provides no renovation incentives to owners of historic homes but it should, and many states do. In New York, an owner-occupant whose property is listed on the National Register is eligible to receive a 20% state income tax credit to offset qualifying renovation expenses. The project must be at least \$5,000 and 5% of project expenditures must be on the exterior.

## Perform targeted demolition and rehab in proximity to assets and stable blocks

Vacancy rates in the West Bayfront neighborhood are at half the levels found in the East Bayfront. Therefore, demolition will play a less critical role in strengthening the neighborhood's housing market. Instead, it must be used in a very targeted way — along with home rehabilitation projects — to address blighted, negative-value properties that are diminishing the value of every other property on their block.

An efficient and systematic way of determining the future of such properties is through the tax foreclosure process, which has hindered revitalization in many areas by simply transferring properties to high bidders who either lack the means or the intention to invest what needs to be invested to properly renovate a home. Instead, the process should be used to identify properties of high strategic value that should either be demolished or transferred to new ownership through a much more selective process.

## **Example**

## Chautauqua County (NY) Land Bank, Demolition and Rehab Programs

In a special arrangement between CCLB and the County Legislature, the Land Bank identifies a few dozen high-priority properties before the annual tax auction — properties in strategic locations where selectivity is needed to ensure the best outcome for the surrounding neighborhood. These properties are pulled from the auction and, depending on physical condition, are either (1) demolished or (2) transferred to a new owner through a competitive proposal process. In the latter instance, properties are sold to the individual or group that intends to invest the most in the property or whose plans are best aligned with neighborhood priorities — with claw-back measures to ensure follow-through.

## Invest in streetscape improvements along gateway corridors and downtown edges

Maintaining great streets, sidewalks and bicycle infrastructure is essential to attracting and retaining middle income households that are apt to consider the West Bayfront for the urban lifestyle it offers. Given the area's residential density and grid connections to downtown Erie, such investments will have a greater impact on residential livability and marketability in the West Bayfront than in most other parts of the city. But to have the greatest possible impact with limited resources, infrastructure improvements should be prioritized to areas where other public and private investments are occurring, as well as neighborhood gateway corridors.

Consideration should also be given to creating special amenities and facilities for pedestrians and bicycles. The Bayfront Bikeway and Bayfront Promenade provide good starting points, but efforts should be made to ensure that the entire West Bayfront becomes a city-wide model for pedestrian and bicycle safety and convenience. The City and Erie MPO should produce a Pedestrian and Bicycle Plan, similar to Philadelphia's, to guide investments in proper infrastructure. The West Bayfront would be a wise location to begin implementation.



## **EAST BAYFRONT**

## Establish a network of new parks via targeted demolition and land assemblage

The East Bayfront's high levels of property distress, vacancy, and abandonment are perhaps the most tangible expression of Erie's supply-demand imbalance, as well as the class and racial disparities that closely track neighborhood conditions in the city. These conditions cannot be adequately addressed without a significant effort to remove blighted and abandoned properties, as well as an equally significant effort to create the spaces and opportunities that will make the neighborhood far more livable for existing and future residents.

The suggested physical framework for accomplishing this is Savannah's historic Square Plan, which is based on a system of equally-sized, evenly-distributed parks. Such a plan has a precedent in Ellicott's original grid for Erie, which established Perry Square, Gridley Park, and a park on E. Sixth Street in the East Bayfront neighborhood that was abandoned by the city in the 1830s.

In essence, this work will involve the following steps — all of which will require a very high degree of planning and project coordination:

- 1. Identifying five-to-ten sites of about four-to-six acres each with high levels of blight and vacancy;
- 2. Gaining site control via the tax foreclosure sale, donation, negotiated purchase, or eminent domain, with relocation grants provided to all affected households:
- 3. Deconstructing existing structures whenever possible to recycle materials, and then clearing sites all through local labor and contractors; and
- 4. Designing and developing high-quality public spaces and linking those spaces to each other, to downtown Erie, and the Bayfront.

As a network of five or six new parks develops and neighborhood livability improves, the number of vacant and obsolete housing units in the East Bayfront will plummet and demand will begin to recover.

## Utilize demolition and vacant land management as a job development and partnership building tool

Demolition — in the service of removing a single blighted property or in preparation for a new park — can be a process of addition by subtraction for a community if the post-demolition outcomes are carefully managed. Demolition in these cases must be used as a tool to provide valuable work opportunities and training (in construction, deconstruction, weatherization, and landscaping), as well as a stream of recycled materials to be used in new-build and renovation projects throughout Erie.

## **Example**

#### **ReUse Action, Buffalo, NY**

ReUse Action is a company that provides deconstruction services in Buffalo, where hundreds of blighted homes are being demolished every year. The company puts an emphasis on worker training and the use of "green demolition" as a pipeline for new construction workers and for materials that get sold and reused.

Successful efforts to clean and green vacant city lots typically involve innovative not-for-profit agencies that work closely with municipal planners, park managers, and public works staff. This is necessitated by the wide range of potential end uses for a vacant lot: as rain gardens to limit runoff, as side yards for adjacent homeowners, as community gardens, as public parks or naturalized areas, or as parcels for strategic redevelopment.

## **Example**

## **Pennsylvania Horticultural Society**

The PHS has been involved in a comprehensive range of cleaning and greening activities in Philadelphia and has earned a reputation as a national leader in the creative management of vacant lots, engaging neighbors and the wider public in reutilizing vacant land, and in spearheading effective planning partnerships with neighbors and municipal leaders.

## Re-focus public and private investment around historic landmarks and newly created parks

Despite its current levels of distress and disorder, the East Bayfront possesses several outstanding historic and cultural assets that should, along with newly created parks, serve as anchors for new public and private investment.

What if a proposed project spans more than one planning area and borders a mixture of market conditions?

How should Erie decide if it makes sense or not?

As with all projects, filter it through the plan's principles.

Does it concentrate investment in smart and targeted ways?

Does it support other assets or establish a new citywide asset?

Does it really make the city, and adjacent real estate, more attractive to strong households?

Does it support Erie's orientation to pedestrian or human-scaled activity?

Additionally, consider the following: Is there money for it — and does the opportunity cost make sense? Is there a feasible plan to take care of it over the long-run? Is Erie investing in it at all, or is it a free lunch from Washington or Harrisburg?

**Healthy** Neighborhood **Strategies** 

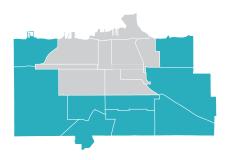
Promote reinvestment by homeowners on strong 'middle market' blocks

Target the removal or rehab of distressed properties improvements leadership sweeps to maintain to encourage reinvestment by neighbors

Invest in streetscape along gateway corridors

Cultivate resident capacity

Initiate proactive code enforcement and spread high maintenance standards



Frontier Greengarden **Arbor-Heights** Glenwood **Academy-Marvintown** Mercyhurst **East Grandview** Fairmont-McClelland Lakeside

In neighborhoods that are currently healthy, stable, or even transitional, the key is to promote reinvestment and re-engagement by boosting confidence and unleashing the \$96 million that homeowners are currently withholding from their properties in Erie — most of which is pent-up in these neighborhoods. This "Healthy Neighborhoods" approach includes strategies that are designed to yield high levels of reinvestment with relatively small sums of public, private, and philanthropic dollars.

## Promote reinvestment by homeowners on strong 'middle market' blocks

### Matching grants for clustered home improvements:

Similar to the West Bayfront (see page 44), this plan recommends matching grants to groups of homeowners for home exterior upgrades as a primary way to stimulate a sense of collective reinvestment.

#### **LERTA**

Consider designating all planning areas in this zone as LERTA target areas and communicate the types of improvements that will have the greatest impact on home marketability (such as first-floor bathrooms).

## Target the removal or rehab of distressed properties to encourage reinvestment by neighbors and spread high maintenance standards

In stable or transitional neighborhoods, a single blighted house can drain neighborhood spirit along with thousands of dollars in assessed value as property values decline. Treat these cases of blight as priorities for demolition or rehabilitation and use the tax foreclosure process as a way to gain control of the destiny of such properties (see page 46 for additional detail).

## Initiate proactive code enforcement sweeps

In Erie, as in most cities, traditional practice has been to target code enforcement activities in areas where blight is most concentrated. But when distress becomes as widespread as it has in Erie — and when code enforcement resources are limited — the focus must turn to transitional

and stable neighborhoods where halting the spread of distress will protect and maintain areas that are critical to the city's marketability and financial stability.

With this in mind, the city should initiate code enforcement sweeps in stable and transitional areas that abut more distressed areas, and ensure that residents are aware of their role as partners in code enforcement.

## Invest in streetscape improvements along gateway corridors

The city's numerous entryways need to be treated as marketing opportunities that send signals to prospective homeowners or investors — and this cannot be limited to a simple welcome sign at the city line. High-traffic, high-visibility corridors should be priorities for roadway maintenance, infrastructure & lighting upgrades, beautification, and blight removal.

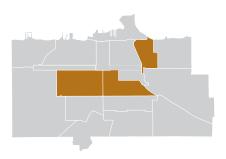
## **Cultivate resident leadership capacity**

Nurture the work of neighborhood leaders and organizations and spur the creation of new organizations through matching grants that assist leaders with projects that help build a sense of identity and camaraderie.

<b>Strategies for Reduci</b>	ng
<b>Neighborhood Distres</b>	SS

Demolish vacant and blighted structures on an opportunistic basis via tax foreclosure Clean and green vacant lots, returning to functional use whenever possible

Invest in areas surrounding citywide assets and gateway corridors Cultivate resident leadership capacity



Little Italy Trinity Park Pulaski-Lighthouse The Little Italy, Trinity Park, and Pulaski-Lighthouse planning areas occupy critical areas between the region's core and relatively stable residential areas. Stabilizing these distressed areas in a way that improves quality of life and protects key city assets requires a long-term effort to bring vacancy rates down to healthy levels, find alternative uses for vacant lots, and reinforce the neighborhood's key assets.

## Demolish vacant and blighted structures on an opportunistic basis via tax foreclosure

As blighted homes in these planning areas pass through the tax foreclosure process, avoid the likelihood of further neglect and neighborhood damage by removing these properties from the auction, preparing them for deconstruction or demolition, and managing the disposition or long-term maintenance of the resulting lots.

## Clean and green vacant lots, returning to functional use whenever possible

As demolitions produce vacant lots, prioritize the transfer of lots to adjacent property owners with solid maintenance track records. These lots can be used for side yards, garages, off-street parking, or any other use allowed by zoning. This will enhance the function and value of the combined properties, ensure that grass is mowed and, in many cases, keep the property on the tax roll.

Where lot disposition to adjacent owners is infeasible, engage community partners in sustainable cleaning and greening projects to ensure long-term maintenance and beautification. This may include community gardens, treed lots, or more substantial projects such as parks and urban agriculture as space and demand allow.

## Invest in areas surrounding citywide assets and gateway corridors

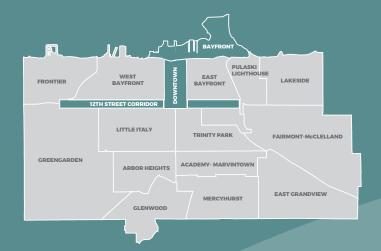
Saint Vincent Hospital, the West 21st/Sassafras Historic District, Wayne Park and its adjacent schools, the city's historic lighthouse, and numerous culturally and architecturally important religious buildings are located in these planning areas — along with streets that shape impressions of the city due to high volumes of both local and through traffic. Investments in these planning areas must be focused on protecting and improving these assets and the blocks in close proximity to these assets.

## **Cultivate resident leadership capacity**

Support the work of the Sisters of Saint Joseph Neighborhood Network and other organizations. Using matching grants to aid neighborhood leaders with projects that build identity and confidence.

STRENGTHENING

## HOW CAN ERIE BUILD A **STRONG REGIONAL CORE?**



## **COST EFFECTIVELY** INTERVENING IN THE CORE

## WHERE TO START WORKING

As prescribed by the new downtown master plan, develop strong district identities to lessen the cognitive distance between the Bayfront and 12th Street.

West of State Street on 12th, pursue catalytic mixed-use redevelopment projects in underutilized industrial complexes

(example at 12th and Myrtle)

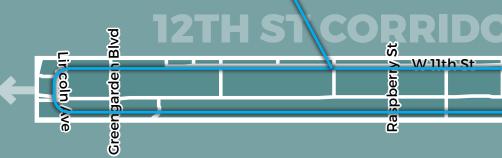


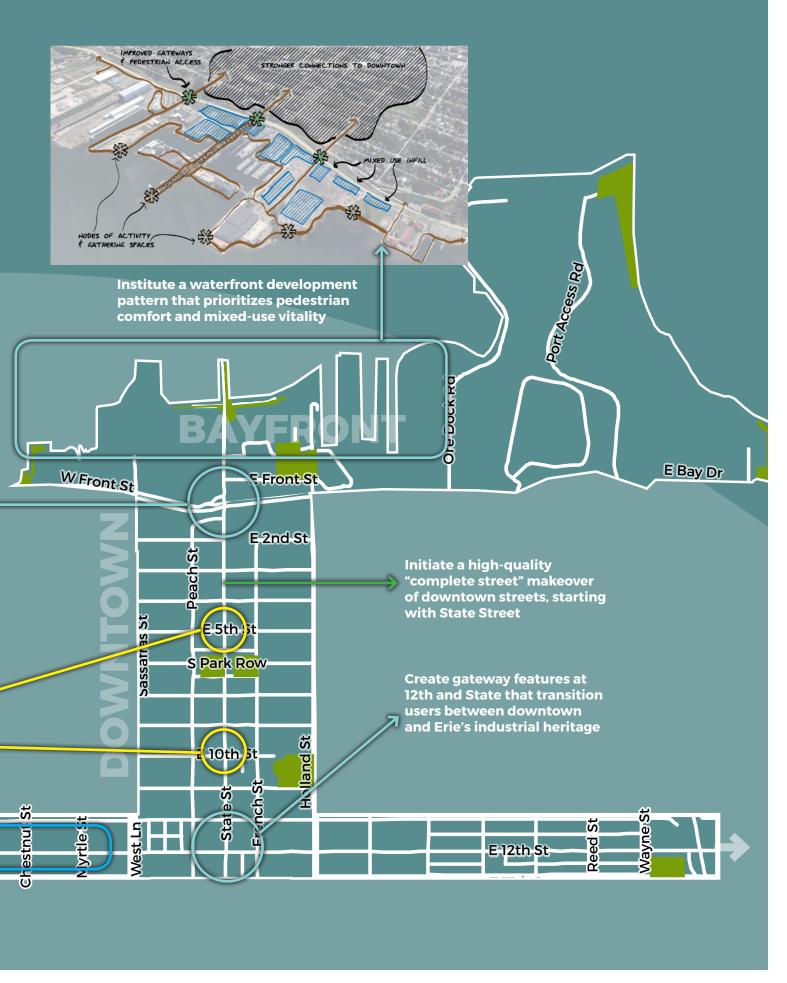
Develop an iconic connecting feature between **Bayfront and Downtown** 



Stimulate mixed-use redevelopment at focused nodes along State Street, starting with blocks adjacent to 5th and 10th streets

<u>-</u>i





CORE STRENGTHENING

# HOW CAN ERIE REPOSITION ITS GREATEST RESIDENTIAL ASSET?



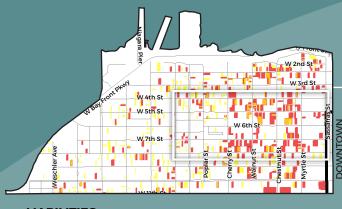
#### **WEST BAYFRONT**

RESIDENTS 13,110
HOUSEHOLDS 5,497
HOMEOWNERSHIP RATE 28%
AVERAGE HOME SALE \$63,858
POVERTY RATE 33%

Although West Bayfront has a high concentration of problem properties ...



... it also has the city's highest concentration of historic assets – mere blocks from downtown and the water's edge.





**LIABILITIES** 

**Tax Delinquent Parcels\*** 

**Code Violations** 

\* In excess of \$500.

### **ASSETS**

**Historic Assets** 

Schools (Open)

## COST EFFECTIVELY INTERVENING IN THE WEST BAYFRONT PLANNING AREA

#### WHERE TO START WORKING

In the primary investment area and just beyond, invest heavily in infrastructure, homeowner reinvestment initiatives, code enforcement, and strategic blight removal.

In remaining areas – as resources allow – initiate homeowner reinvestment strategies on strong leverage blocks, perform code enforcement sweeps throughout, and follow the principles.

## **PRIMARY INVESTMENT AREA**

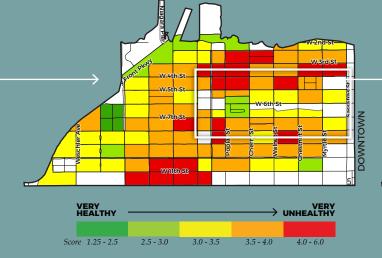
Concentration of strong but vulnerable blocks that are asset-rich and adjacent to Cannon and downtown.

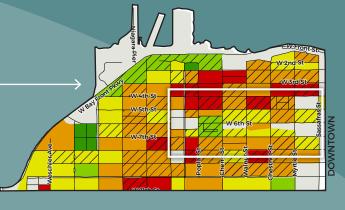


And while levels of observed distress are pervasive, there are numerous stable or strong blocks ...



... which have demonstrated a solid return on investment in recent years, making them building blocks to leverage for revitalization.





Blocks where investment yields higher value

See Appendix J. Data Notes, pg 105.

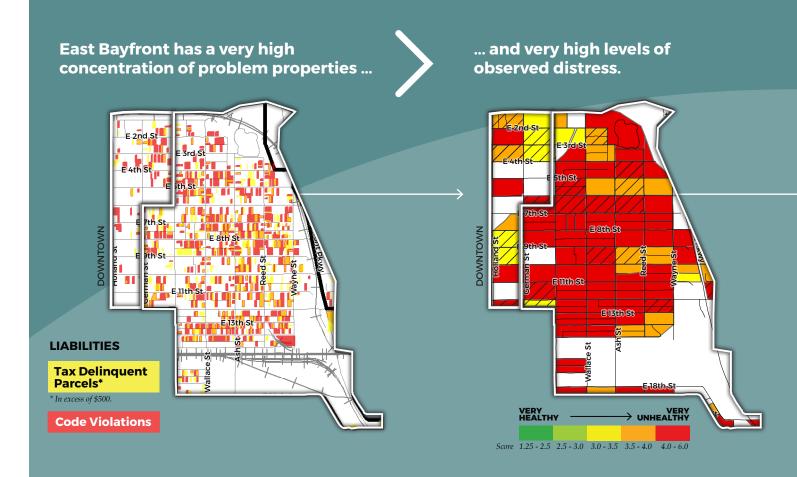
CORE STRENGTHENING

# HOW CAN THE **EAST BAYFRONT** REBUILD AROUND ASSETS?



#### **EAST BAYFRONT**

RESIDENTS 9,574
HOUSEHOLDS 3,353
HOMEOWNERSHIP RATE 30%
AVERAGE HOME SALE \$24,369
POVERTY RATE 46%



## COST EFFECTIVELY INTERVENING IN THE EAST BAYFRONT PLANNING AREA

### WHERE TO START WORKING

## **TWO STRATEGY ZONES**

Reinforce investments adjacent to downtown and Bayfront

Continue recent investments in home and commercial rehab, blight removal, infrastructure, and neighborhood capacity building.

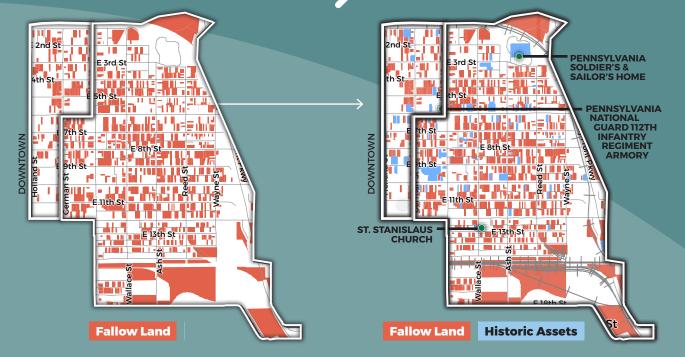
Right-size, clean & green, and targeted rebuilding

Activate a land bank and begin acquisition and demolition of distressed properties. Assemble and manage vacant land with an eye toward developing new parks on the Savannah and Perry Square model. Only invest in new development and rehab around historic anchors and new parks.



But, vacant land and parcels with blighted properties represent 340 acre of land that can be leveraged ...

... and there are several landmarks to serve as anchors for rebuilding.



## HOW CAN ERIE KEEP THE **FRONTIER** AREA HEALTHY?

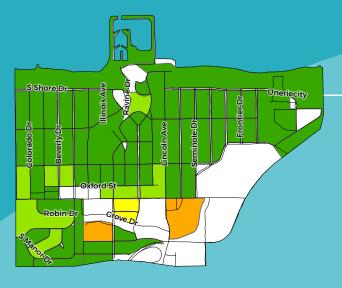


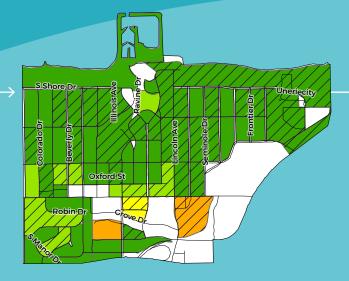
#### **FRONTIER**

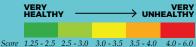
RESIDENTS 3,957
HOUSEHOLDS 1,970
HOMEOWNERSHIP RATE 66%
AVERAGE HOME SALE \$149,769
POVERTY RATE 6%

Frontier has some of the city's healthiest residential blocks ...

... and a market that rewards reinvestment.







Blocks where investment yields higher value

## COST EFFECTIVELY INTERVENING IN THE FRONTIER PLANNING AREA

Make strong assets even stronger – Frontier Park should be one of the best city parks in Pennsylvania.

Address weak Gateway conditions along 8th Street and at the intersection of 8th and Bayfront Parkway at Frontier Park. Make it feel and look special through stronger streetscapes and blight mitigation.

Stop early signs of distress in the southern half of Frontier through strong code enforcement and incentives to support home improvement.

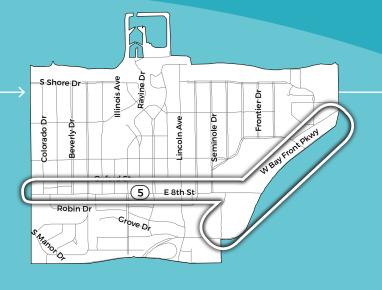
## WHERE TO START WORKING

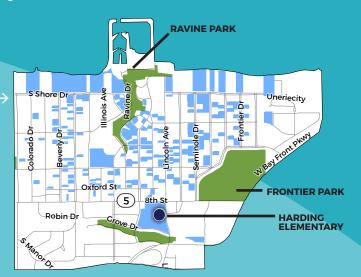


While Frontier's gateway corridors are aesthetically weak and feature creeping levels of blight ...



... its strong assets frame one of the Erie region's most desirable residential landscapes.





### **ASSETS**

#### **Historic Assets**

Schools (Open)

## HOW CAN ERIE MAKE THE **GREENGARDEN** AREA STRONGER?



#### **GREENGARDEN**

RESIDENTS 14,640
HOUSEHOLDS 6,297
HOMEOWNERSHIP RATE 73%
AVERAGE HOME SALE \$83,211
POVERTY RATE 19%

Most blocks in the Greengarden area show limited signs of distress, with the exception of areas bordering more distressed neighborhoods ...



... and many blocks exhibit a strong connection between homeowner reinvestment and higher market value.



## COST EFFECTIVELY INTERVENING IN THE **GREENGARDEN** VIPLANNING AREA

Target early signs of distress with targeted code

enforcement and blight removal.

Provide financial incentives and support for home improvements on blocks with high potential for return on investment and coordinate with improvements to streets, sidewalks, and trees.

Support existing neighborhood organizations and stimulate higher levels of engagement.

Treat 26th Street and Peach Street as gateway corridors through streetscape improvements, blight mitigation, and beautification. Do the same at the corner of 38th Street and Greengarden — a critical node with a school and commercial center.

### WHERE TO START WORKING



But the area's mostly mid-century residential areas and its assets are connected by tired-looking commercial streets that should set a stronger tone.



# HOW CAN ERIE MAKE ARBOR HEIGHTS STRONGER?



#### **ARBOR HEIGHTS**

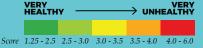
RESIDENTS 5,979
HOUSEHOLDS 2,548
HOMEOWNERSHIP RATE 58%
AVERAGE HOME SALE \$67,926
POVERTY RATE 17%

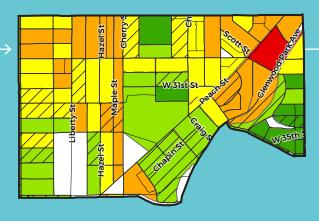
Arbor Heights has a combination of healthy areas and blocks showing moderate signs of distress.



In general, conditions improve going from 26th Street to 38th Street and several blocks exhibit a connection between homeowner reinvestment and higher market values.







Blocks where investment yields higher value

See Appendix J. Data Notes, pg 105.

## COST EFFECTIVELY INTERVENING IN THE ARBOR HEIGHTS PLANNING AREA

Use code enforcement and aggressive blight mitigation to staunch the spread of blight south of 26th Street.

Provide financial incentives and support for home improvements on blocks with high potential for return on investment and coordinate with improvements to streets, sidewalks, and trees.

Treat Peach Street, 38th Street, 26th Street, and Glenwood Park Avenue as gateway corridors through streetscape improvements, blight mitigation, and beautification.

Identify opportunities to further improve commercial properties along Liberty Street, including the large vacant parcel at Liberty and 36th. This area needs to set a better tone for the neighborhood.

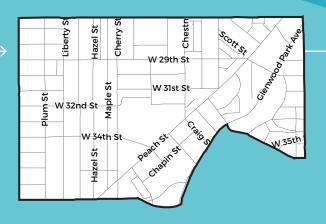
#### WHERE TO START WORKING



Tired-looking gateway corridors and empty commercial land on Liberty Street provide opportunities to soften and beautify the area ...

>

... and protect important citywide assets.





### **ASSETS**

**Historic Assets** 

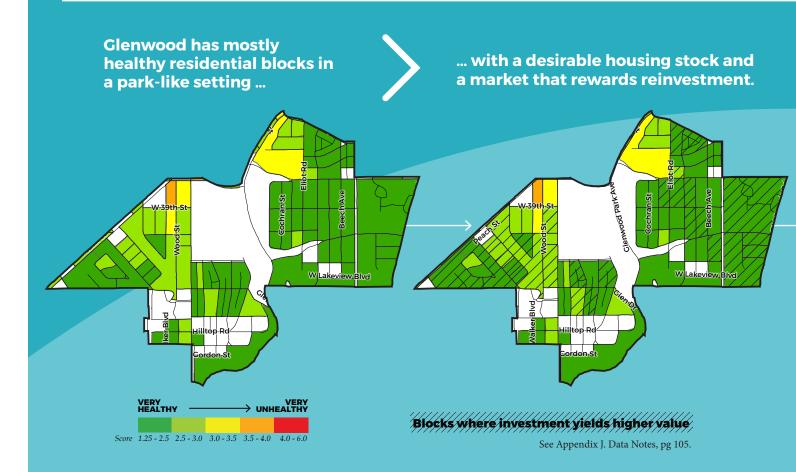
Schools (Open)

## HOW CAN ERIE KEEP THE **GLENWOOD** AREA HEALTHY?



#### **GLENWOOD**

RESIDENTS 2,839
HOUSEHOLDS 1,182
HOMEOWNERSHIP RATE 93%
AVERAGE HOME SALE \$139,806
POVERTY RATE 5%



## COST EFFECTIVELY INTERVENING IN THE GLENWOOD PLANNING AREA

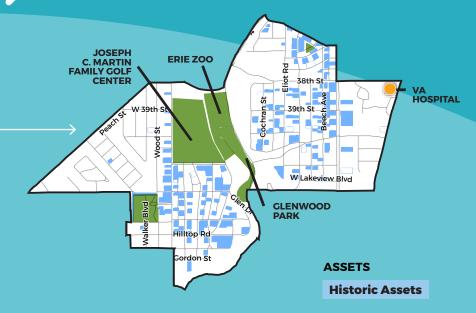
Make the most of a key asset by keeping maintenance of the areas and assets around Glenwood Park Avenue at a very high level.

Address weak gateway conditions along Peach Street through streetscape enhancements, blight mitigation, and beautification.

Stop early signs of distress in the northwestern corner of Glenwood through strong code enforcement and incentives to support home improvement.



Regional assets anchor the Glenwood area and bring visitors to the city, making it a critical impression-forming area for the city.



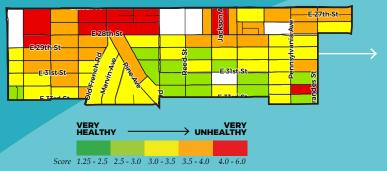
# HOW CAN ERIE MAKE THE ACADEMY-MARVINTOWN AREA STRONGER?

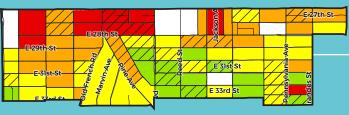


#### **ACADEMY MARVINTOWN**

RESIDENTS 6,863
HOUSEHOLDS 2,570
HOMEOWNERSHIP RATE 64%
AVERAGE HOME SALE \$57,103
POVERTY RATE 13%

Block conditions vary widely in Academy-Marvintown, with moderateto-severe distress evident on blocks adjacent to 26th Street and healthier blocks bordering 33rd Street. Far fewer than half of the blocks exhibit a strong connection between reinvestment and higher market values – inhibiting the rationale for homeowners to improve their homes.





Blocks where investment yields higher value

See Appendix J. Data Notes, pg 105.

## COST EFFECTIVELY INTERVENING IN THE ACADEMY-MARVINTOWN PLANNING AREA

## WHERE TO START WORKING



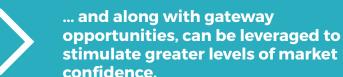
Use code enforcement and aggressive blight mitigation to reduce visible signs of distress.

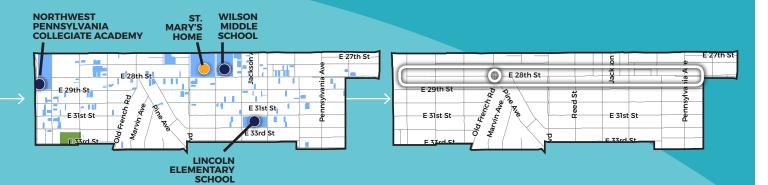
Provide financial incentives and support for home improvements on blocks with high potential for return on investment and coordinate with improvements to streets, sidewalks, and trees.

Treat the intersection of Pine Avenue, Old French Road, and 28th Street as an opportunity for significant gateway beautification. Consider similar opportunities at 26th Street and Parade.

Support the Academy Neighborhood Association and other neighborhood groups to promote higher levels of engagement.







### **ASSETS**

#### **Historic Assets**

Schools (Open)

## HOW CAN ERIE MAKE THE **MERCYHURST** AREA STRONGER?



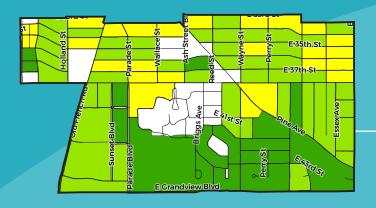
#### **MERCYHURST**

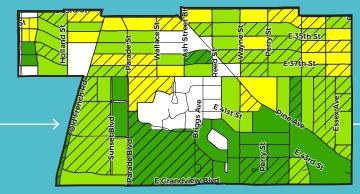
RESIDENTS 7,462
HOUSEHOLDS 2,444
HOMEOWNERSHIP RATE 71%
AVERAGE HOME SALE \$86,072
POVERTY RATE 17%

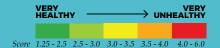
While most of the Mercyhurst area features blocks of tidy mid-century homes and apartments with few signs of distress, blocks to the north of 38th Street are increasingly in need of reinvestment ...

>

... which is likely, on most blocks, to result in higher market values.









See Appendix J. Data Notes, pg 105.

## COST EFFECTIVELY INTERVENING IN THE MERCYHURST PLANNING AREA

## WHERE TO START WORKING

Target early signs of distress, especially north of 38th Street, with targeted code enforcement and blight removal.

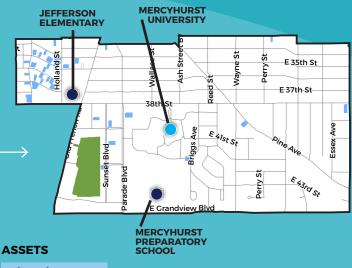
Provide financial incentives and support for home improvements on blocks with high potential for return on investment and coordinate with improvements to streets, sidewalks, and trees.

Treat 38th Street and Pine Avenue as gateway corridors through streetscape improvements, blight mitigation, and beautification.



>

Significant educational assets abound and bring visitors to the area, which demands a high level of maintenance along gateway corridors.



## **Historic Assets**

Schools (Open)

## HOW CAN ERIE MAKE THE **EAST GRANDVIEW** AREA STRONGER?



#### **EAST GRANDVIEW**

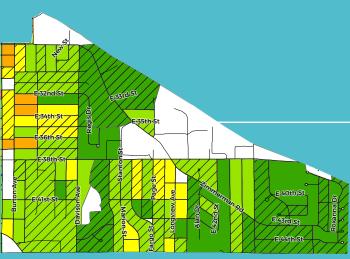
RESIDENTS 6,817
HOUSEHOLDS 2,910
HOMEOWNERSHIP RATE 75%
AVERAGE HOME SALE \$82,624
POVERTY RATE 10%

Healthy blocks of small mid-century homes abound in the East Grandview area, but signs of distress are growing in areas north of 38th Street and pose a concern throughout as aging households transition over the next decade.



Fortunately, most blocks in the East Grandview area show a strong connection between homeowner reinvestment and higher market values.





Blocks where investment yields higher value

See Appendix J. Data Notes, pg 105.

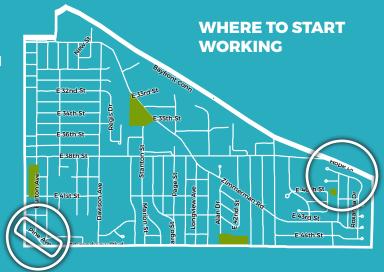
## COST EFFECTIVELY INTERVENING IN THE **EAST GRANDVIEW** PLANNING AREA

Target early signs of distress, especially north of 38th Street, with targeted code enforcement and blight removal.

Provide financial incentives and support for home improvements on blocks with high potential for return on investment and coordinate with improvements to streets, sidewalks, and trees.

Treat 38th Street, especially near the Bayfront Connector, as a gateway thoroughfare through streetscape improvements, blight mitigation, and beautification.

Improve commercial property conditions around the entry node at Pine Avenue and East Grandview Boulevard, which is currently outdated- and cluttered-looking.



>

Major points of entry into the neighborhood and city present an opportunity for East Grandview to make a good first impression to the Erie market.



# HOW CAN ERIE MAKE THE **LAKESIDE**AREA STRONGER?



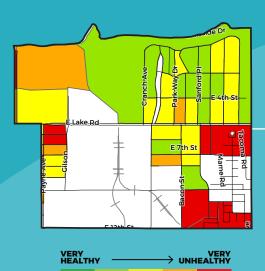
#### **LAKESIDE**

RESIDENTS 3,269
HOUSEHOLDS 1,354
HOMEOWNERSHIP RATE 49%
AVERAGE HOME SALE \$69,747
POVERTY RATE 41%

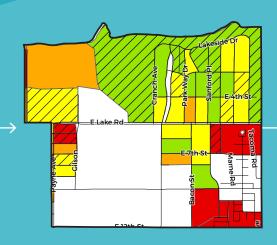
Bounded by GE Transportation to the east and mostly fallow industrial land to the west, Lakeside features largely stable residential blocks ...



... especially north of the median-lined E. Lake Road, where the market rewards reinvestment by homeowners.



Score 1.25 - 2.5 2.5 - 3.0 3.0 - 3.5 3.5 - 4.0 4.0 - 6.0



Blocks where investment yields higher value

See Appendix J. Data Notes, pg 105.

# COST EFFECTIVELY INTERVENING IN THE LAKESIDE PLANNING AREA

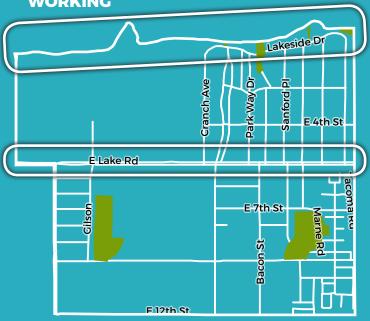
Target early signs of distress with targeted code enforcement and blight removal.

Provide financial incentives and support for home improvements on blocks with high potential for return on investment and coordinate with improvements to streets, sidewalks, and trees.

Leverage E. Lake Road's charming median through beautification projects along the avenue and a well-maintained streetscape.

Formulate a plan for long-term reuse of underutilized industrial property that includes provisions for public access to views of Lake Erie.

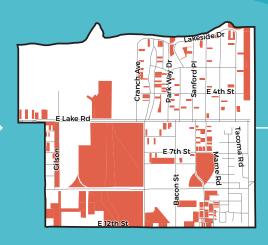
## WHERE TO START WORKING



Fallow land dominates sections of Lakeside and represents an opportunity for new business development and recreation ...



... while E. Lake Road (Route 5) and adjacent assets are well-positioned to form one of Erie's most attractive gateways.



**Fallow Land** 



**ASSETS** 

**Historic Assets** 

Schools (Open)

**NEIGHBORHOOD STRENGTHENING** 

## **HOW CAN ERIE MAKE FAIRMONT-MCCLELLAND** STRONGER?



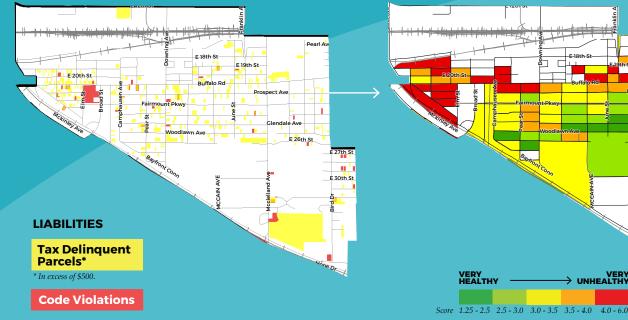
#### FAIRMONT-McCLELLAND

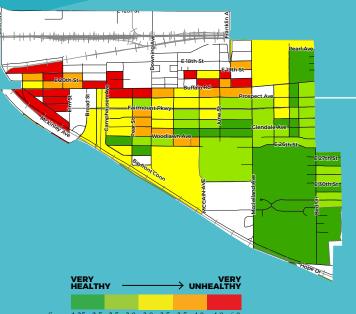
**RESIDENTS** 6.837 **HOUSEHOLDS** 2.495 **HOMEOWNERSHIP RATE** 60% AVERAGE HOME SALE \$59,535 **POVERTY RATE** 35%

Tax delinquencies have been a significant problem in the northwestern section of Fairmont-McClelland ...



... contributing to areas with visible distress near Buffalo Road.





# COST EFFECTIVELY INTERVENING IN THE FAIRMONT-MCCLELLAND PLANNING AREA

Use code enforcement and aggressive blight mitigation to reduce visible signs of distress in transitional areas between Buffalo Road and Fairmont Parkway.

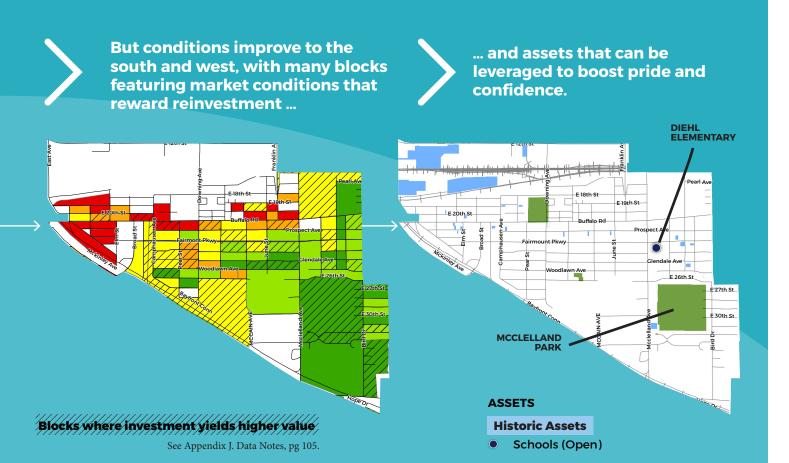
Demolish blighted tax-foreclosed homes when opportunities arise.

Work with owners of commercial properties on Broad Street near Buffalo Road to update and beautify their highly visible properties.

Provide financial incentives and support for home improvements on blocks with high potential for return on investment and coordinate with improvements to streets, sidewalks, and trees.

Invest in further beautification of the median-lined Fairmont Parkway and engage residents in its upkeep.

Implement the 2010 master plan for improvements at McClelland Park.



WHERE TO START WORKING

STABILIZATION

## HOW CAN ERIE STABILIZE LITTLE ITALY?



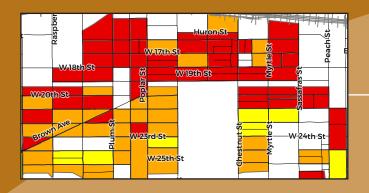
#### LITTLE ITALY

RESIDENTS 7,850
HOUSEHOLDS 3,212
HOMEOWNERSHIP RATE 32%
AVERAGE HOME SALE \$47,969
POVERTY RATE 41%

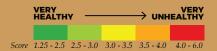
Little Italy has high levels of visible distress, especially in areas adjacent to the industrial and railroad corridor ...

... as well as high concentrations of problem properties.

W 17th St







## **COST EFFECTIVELY** INTERVENING IN LITTLE ITALY

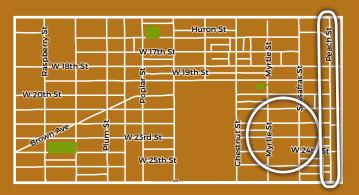
Prioritize blight mitigation and beautification activities near Saint Vincent Hospital, the West 21st Street Historic District, and heavily traveled Peach Street.

Target blighted tax-foreclosed homes for demolition as they become available.

Manage vacant land through side lot sales to adjacent homeowners, greening projects with community partners, and banking larger sites for long-term redevelopment.

Leverage strong partnerships with the Sisters of Saint Joseph Neighborhood Network and other neighborhood organizations to implement stabilization activities.

#### WHERE TO START WORKING

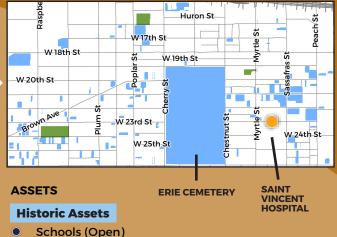


While it has a growing supply of fallow property that needs to be managed to limit disorder and blight ...

... it also has a notable concentration of citywide assets and historic properties.



**Fallow Land** 



STABILIZATION

## HOW CAN ERIE STABILIZE TRINITY PARK?

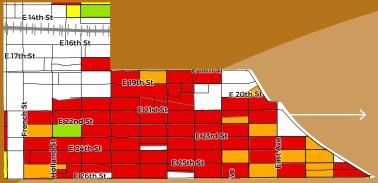


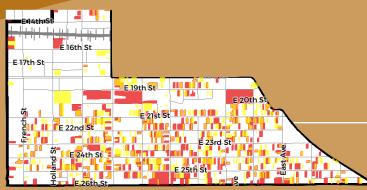
#### **TRINITY PARK**

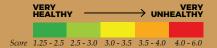
RESIDENTS 6,824
HOUSEHOLDS 2,325
HOMEOWNERSHIP RATE 41%
AVERAGE HOME SALE \$31,416
POVERTY RATE 41%

Property distress is more pervasive in Trinity Park than any other part of Erie ...

... and problem properties are a major feature of most blocks.







#### **LIABILITIES**

Tax Delinquent
Parcels\*
\* In excess of \$500.

Code Violations

# COST EFFECTIVELY INTERVENING IN TRINITY PARK

Remove blight on an opportunistic basis by targeting blighted tax-foreclosed homes for demolition.

Manage vacant land through side lot sales to adjacent homeowners, greening projects with community partners, and banking larger sites for long-term redevelopment.

Protect Trinity Park's biggest assets through prioritized blight mitigation and beautification along highly traveled corridors, especially 26th Street.

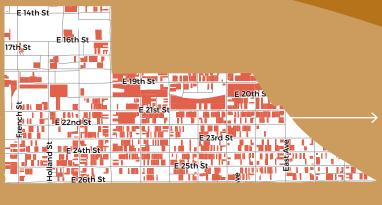
#### WHERE TO START WORKING



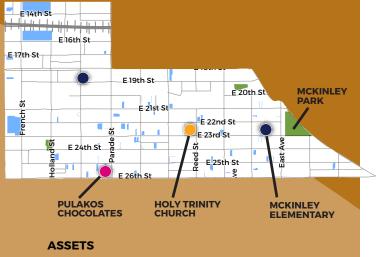
Blight mitigation and proper management of vacant land present opportunities to bring stability and order to the area ...

>

... with key assets serving as anchors around which to right-size.



**Fallow Land** 



Historic Assets

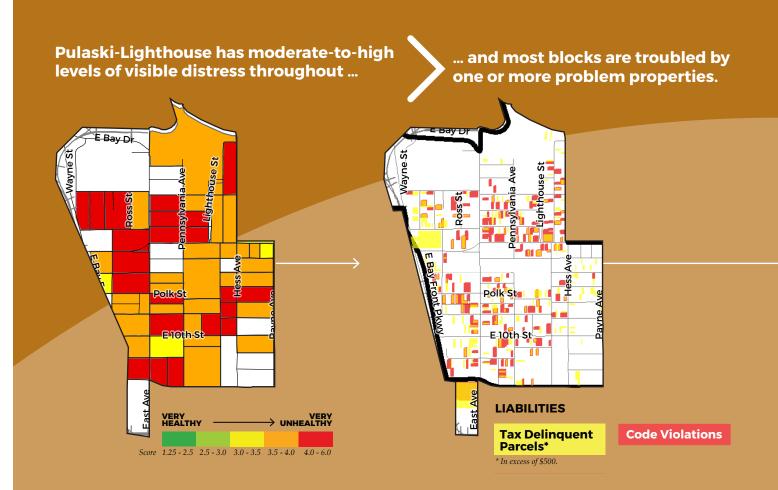
STABILIZATION

## HOW CAN ERIE STABILIZE PULASKI-LIGHTHOUSE?



#### **PULASKI-LIGHTHOUSE**

RESIDENTS 4,075
HOUSEHOLDS 1,578
HOMEOWNERSHIP RATE 44%
AVERAGE HOME SALE \$35,642
POVERTY RATE 42%



# COST EFFECTIVELY INTERVENING IN **PULASKI-LIGHTHOUSE**

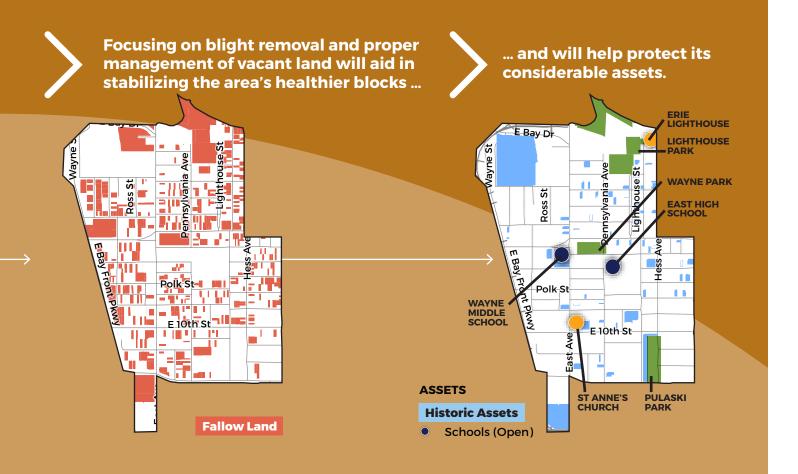
#### WHERE TO START WORKING

Prioritize blight mitigation and beautification activities near Wayne Park and its adjacent schools and along heavily travelled E. Lake Road. Outside of those areas, focus on streets around Pulaski Park and Lighthouse Park.

Target blighted tax-foreclosed homes for demolition as they become available.

Manage vacant land through side lot sales to adjacent homeowners, greening projects with community partners, and banking larger sites for long-term redevelopment.





## TAKING ACTION

The rigorous and effective application of the principles in this plan, as well as the implementation of its recommended strategies and projects, will depend to a large extent on the correct alignment of resources, tools, and collaborative leadership. The following is an outline of the community context most likely to result in progress.











### **Partnerships**

The plan is championed by cross-jurisdictional, cross-departmental, cross-agency, and cross-sectoral partners. All feel a sense of obligation and empowerment to apply its principles, and all sense that their own work will build upon and be reinforced by the work of others.

### **Funding**

There is sufficient funding to get started in a meaningful way and it comes from many sources, public and private. It is suggested that \$300 million be invested in additive strategies and projects, over and above general fund spending, over a 10-year period, with equal amounts drawn from the public and private sectors.

Contingency is the name of the game, so one funding source is "in" IF others are likewise in and all operate according to a set of shared expectations.

## **Oversight**

There is implementation oversight outside of City Hall, so that the many partnering entities, public and private, can establish a new set of confidences and collaborative relationships.

# Professional Planning

There is a new planning office in the City of Erie, operating at the level required for 21st Century decision-making and project management.





The plan operates in a scalable manner; what works at the City level can work at the neighborhood level and at the block level. The principles are applicable at the broadest scale and the smallest.



## **Mechanisms Creative**

There are adequatelyfunded property disposition and enforcement mechanisms in place to rapidly bring excess supply under control and create infill redevelopment opportunities. (Examples: Land Bank and Housing Court)



# Creative Integration

Strategies are integrated to address several issues simultaneously, such as using demolition and park development in the East Bayfront as a broader initiative that involves skills training, job development, and the cultivation of new construction and recycling-related businesses.

Plans that are likely to be activated and for which a community develops a durable fidelity will need to have a short list of projects it can readily undertake and which will have meaning. Such projects should be hard to do, but not too hard. They should be costly but doable. They should compel a community saying it wants change to make the effort to actually accomplish the change they desire, yet not be so difficult they cannot be imagined.



## **Out-Of-The-Gate Projects**

2016  Land Bank established by end of 2016; sufficient funding identified for Land Bank to aid in targete  Regional Housing Court established and operating by end of 2016  Phased implementation of code enforcement sweeps in travest Bayfront's primary investment area  2016  West Bayfront, Academy-Marvintown, Arbor Heights	·	<b>2018 -2019</b>
Matching grants to homeowners on blocks with high levera  2016  Identify not-for-profit program administrator and develop program guidelines	ge value  > 2017 Begin <b>fundraising</b> to distribute \$500,000 per year in small matching grants starting in 2017	
Upgrade streets to par at key investment locations and alon 2016  Develop 3-year capital budget and funding strategy for th implementation of downtown streetscape improvements, i local contributions to leverage state and federal funds  2016-2018  Identify and execute priority street upgrades in Core Streng	→ e ncluding	2018-2019 Identify and execute priority street upgrades in Stabilization areas

## Laying the Groundwork









## Social Services Relocation

#### 2016

Develop inventory of existing social service agencies in the downtown core. Identify anticipated need for space and potential for resource sharing and collaboration between agencies. Initiate conversations with agencies regarding potential relocation or co-location outside the downtown core.

## Connecting Downtown to Bayfront

#### 2016

Community works with PennDOT to finalize updated plans for **Bayfront Connector and** Parkway that include special attention to the downtown-Bayfront connectivity and conceptual guidance for an iconic improvement in the State Street / Connector area. Identify likely cost and implementation timeline for the improvement and develop fundraising strategy.

### East Bayfront Parks

#### 2016 - 2017

Identify agency partners that will lead strategic demolition and park development work in the East Bayfront planning area. Develop a detailed strategy that outlines feasible project locations, acquisition resources and mechanisms, relocation assistance, deconstruction and demolition protocols, and resources for park design and development.

## 12th Street Corridor

#### 2016 - 2017

Identify two or three properties along 12th Street that are strong candidates for redevelopment and conversion as shared access, mixed-use workspaces. Gain control of sites, assemble incentive package, and issue RFPs to developers for purchase and redevelopment.

# APPENDIX

- A. Regional Planning Context
- B. Land Use and Zoning
- C. Population and Housing
- D. Economic Vitality
- E. Transportation and Circulation
- F. Infrastructure and Utilities
- G. Community Facilities and Services
- H. Environmental and Natural Resources
- I. Historic and Cultural Resources
- J. Data Notes

## A. Regional Planning Context

This Comprehensive Plan and Decision-Making Guide for the City of Erie exists within a regional planning context that includes a long-range regional plan (Destination Erie, 2015), the Erie County Comprehensive Plan (2003), and comprehensive plans for the adjacent municipalities of Millcreek Township (2002), Harborcreek Township (2010), and a joint plan for Lawrence Park Township and Wesleyville Borough (2004). In addition to comprehensive plans, the region has numerous specialized and small area plans which are summarized and contextualized by Destination Erie and referenced in this Appendix.

The objectives, principles and strategies outlined in this document are generally consistent with this regional planning context. Most importantly, this comprehensive plan embraces Destination Erie's preferred scenario for future development, which recommends that future investment be concentrated in areas that are already urbanized and served by infrastructure and that existing neighborhoods be revitalized to enhance the health and vibrancy of the region's urban core while preserving open space and agricultural land. This plan provides the framework for achieving these goals within the City of Erie, including the prioritization of investment at the region's core (downtown Erie, the Bayfront, and adjacent neighborhoods), the protection of key regional assets, the strengthening of Erie's healthy and transitional neighborhoods, and the stabilization of the city's most distressed areas.

Destination Erie also calls for neighborhood strategic planning, data-driven code enforcement, the established of a land bank and a regional housing court, multi-modal improvements, a more strategic approach to development on the Bayfront, historic preservation, and support for entrepreneurial activity — all of which have a place in this comprehensive plan. Further, the development of the Destination Erie plan involved a strong and extensive public engagement process (in the city and regionally) to shape the community's vision and goals — a process that has done much to inform this plan.

Similar to Destination Erie, the Erie County Comprehensive Plan designates the entire City of Erie as a growth area to support investment in the county's already-developed areas. While this plan embraces that designation, it also recognizes that development needs to be prioritized within the city for maximum impact. The three proposed Areas of Work (Core Strengthening, Neighborhood Strengthening, and Stabilization) provide a framework for channeling investment in ways that will have the greatest impact and highest residual return on investment for the city and region.

As the city is largely built out, with development extending to the city limits and beyond, this plan does not foresee new development occurring on the city's edges that would affect conditions in surrounding municipalities. However, strategies to strengthen city neighborhoods — including those that border surrounding communities, if implemented — are intended to arrest the spread of blight and disinvestment that would inevitably affect neighborhoods that border the City of Erie.

## B. Land Use and Zoning

Land use and development patterns in the City of Erie reflect those observed in almost all of America's older industrial cities (see Current Land Use Map). It has areas that feature pre-automobile and pre-zoning building patterns (essentially, all areas developed before the 1920s), including a mixed-use downtown, industrial zones along railroad corridors and the waterfront (with housing frequently nearby), and residential neighborhoods of moderate densities with mixtures of multi-family and single-family structures. Closer to the edges of Erie are areas that developed through the influence of zoning and generally feature a greater separation of uses, accommodation of the automobile, and more uniformity in built form.

This comprehensive plan neither confers nor takes away any vested rights, and it assumes no control over land use or redevelopment policy. Land use and design are regulated by the zoning code — an ordinance that was last updated in 2012 but that largely reflects standard regulatory practices of the mid-20th Century (see Current Zoning Map). To align zoning and design regulations with principles and strategies outlined in this plan, the city should consider developing a new zoning ordinance that reflects 21st Century best practices and the following issues highlighted in this plan:

#### **Right-sizing:**

The critical imbalance of supply and demand can be addressed in a new zoning code by stipulating that, for as long as weak-market conditions persist, sections of the city cannot be up-zoned (upgraded in density or intensity of use) without a complementary down-zoning somewhere else. General down-zoning of sections of the city should also be explored, which would typically involve the conversion of vacant land controlled by the city, some other public agency, or a land trust, to a "conservation" status that effectively prohibits development until strong growth pressures return.

#### **Design Guidelines:**

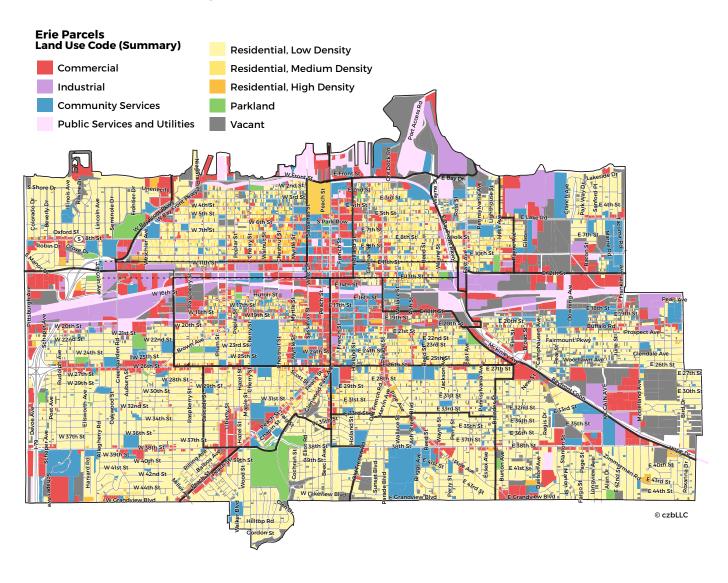
Currently, a design review committee advises the Planning Commission on proposals that emerge from historic overlay zones or waterfront zoning districts. While this committee includes design professionals, there are no specific design guidelines to inform developers or the Planning Commission on design practices in sensitive areas (including the waterfront and downtown). To advance efforts to make the waterfront and downtown environment more pedestrian-oriented, a new zoning code (or amendments to the current code) should include guidelines that offer the Planning Commission and developers more explicit and consistent guidance.

#### **Future Land Use Scenarios**

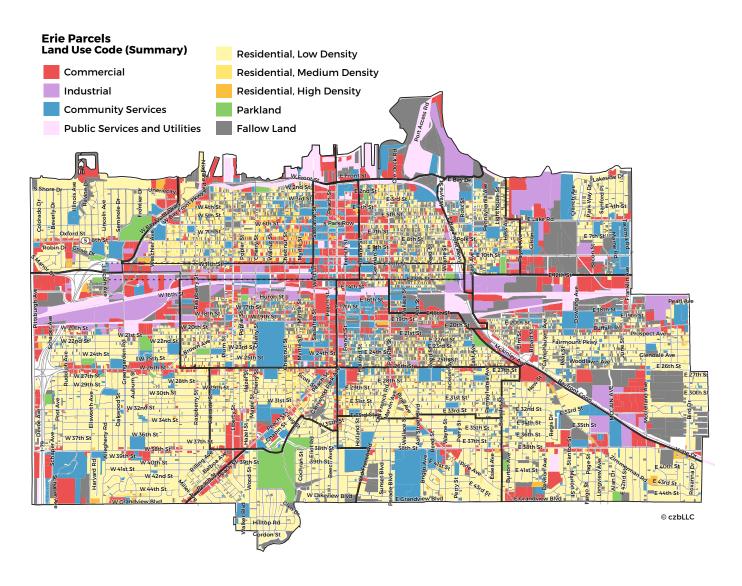
Regardless of whether the city's zoning code gets updated, the city will continue to evolve and so will its land uses. Given current market trends in Erie, it is likely that hundreds of blighted structures will be demolished over the coming 10 to 20 years as the city's most blighted properties succumb to emergency demolitions, fires, or strategic blight removal efforts. "Future Land Use Map: Market Trend Scenario" shows what would happen if all of the lowest-scoring residential properties that were surveyed for the comprehensive plan were removed and became vacant lots. This scenario describes those lots as fallow land, given the present absence of mechanisms to efficiently guide the disposition and reuse of such properties.

"Future Land Use Map: Plan Implementation Scenario" broadly describes land use patterns in the city if priorities and strategies from this plan are implemented. While this scenario adheres closely to current patterns, it reinforces the importance of maintaining an asset-rich, mixed-use regional core as well as the need to guide the management and strategic repurposing of fallow land in areas where vacancy and underutilizing are — and will continue to be — significant issues.

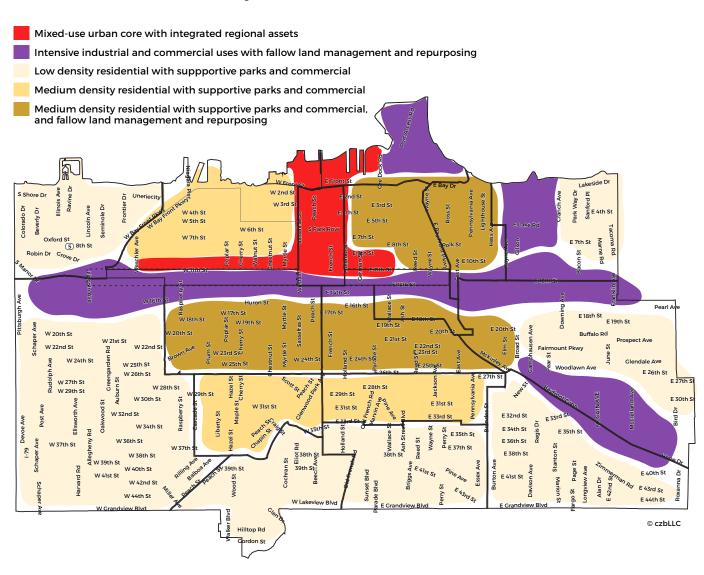
#### **Current Land Use Map**



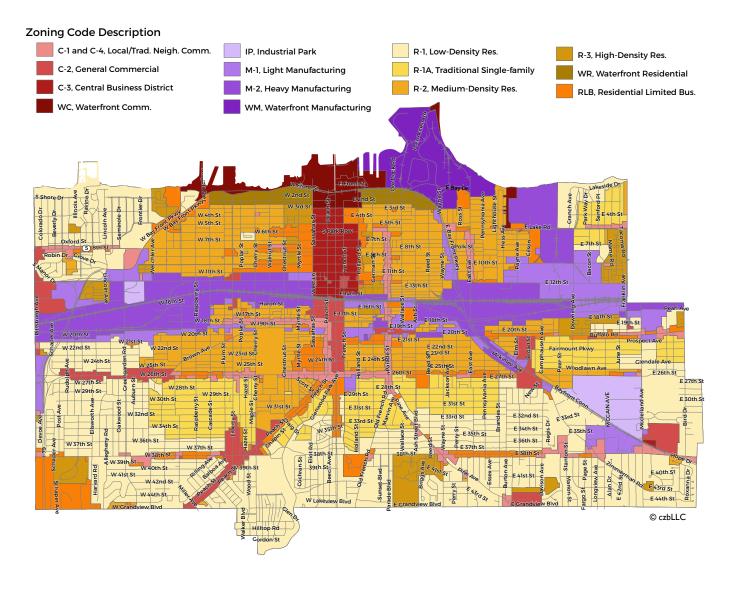
#### **Future Land Uses: Current Trend Scenario**



#### **Future Land Uses: Plan Implementation Scenario**



#### **Current Zoning**



## C. Population and Housing

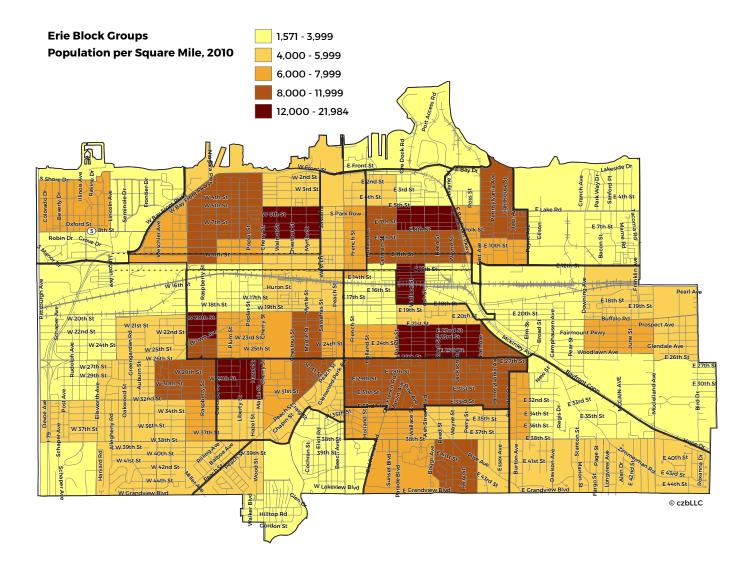
A large portion of the research behind this comprehensive plan involved the careful analysis of housing markets and conditions at the block and parcel levels. As the "Findings" chapter of this plan makes clear, population loss by regional migration and suburbanization has resulted, over a period of decades, in substantial supply/demand imbalances that have weakened the city's housing market and led to deterioration of a large portion of the city's housing stock. As is often the case in cities similar to Erie, the areas with the most deterioration are areas where the housing stock is older, where population density and rental density are higher, and where property values and rents are relatively low — characteristics that result in high concentrations of low-income and often minority households occupying the city's least desirable housing on the city's least desirable blocks (see supplemental maps of population density, housing age, and property value).

The stark social differences between the city's healthiest and most distressed neighborhoods underscore the levels of racial and social segregation that continue to exist in Erie — and that undermine the city's and the region's potential to be healthy and competitive. While this is an issue that must be addressed on numerous levels, this plan recommends strategies that are designed to deconcentrate poverty and address the weak market conditions that contribute to disinvestment and blight through (1) a focus on demolishing the most blighted and obsolete housing to bring supply and demand into balance and to improve quality of life in currently distressed neighborhoods; and (2) improving the city's appeal to middle-income households in order to bring greater diversity and financial strength into the city. It is strongly believed that this approach, and not a continuation of the status quo, will result in better and fairer housing conditions in the City of Erie.

As these strategies are applied and markets stabilize, it will be important to ensure that the city's most marginalized households have choices within the city and the broader region and that existing patterns of concentrated poverty are not simply transferred to other locations. This comprehensive plan has been designed to fully embrace the spirit and letter of the Fair Housing Act and the city's duty to Affirmatively Further Fair Housing. It embraces the findings and recommendations of the Erie County Regional Analysis of Impediments to Fair Housing Choice (2015) as they pertain to fair practices by the public and private sectors throughout Erie County.

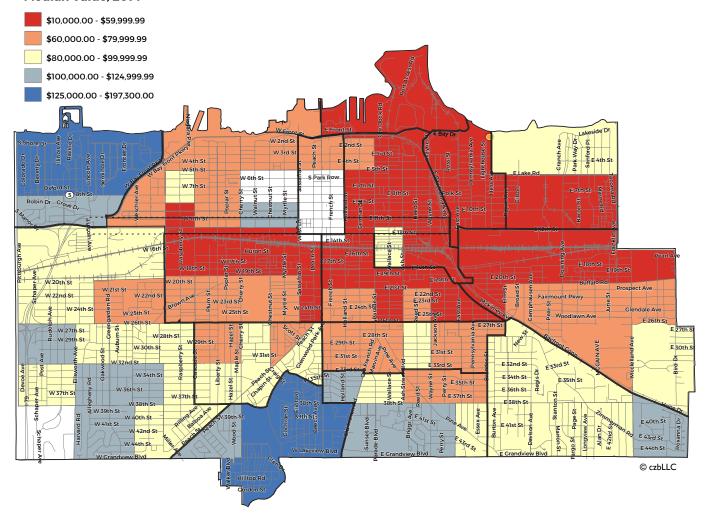
The four planning principles outlined in this plan, as well as recommended strategies for each planning area, should be considered and applied as the city and others make decisions that affect the construction, removal, rehabilitation of housing units.

#### **Population Density Map**

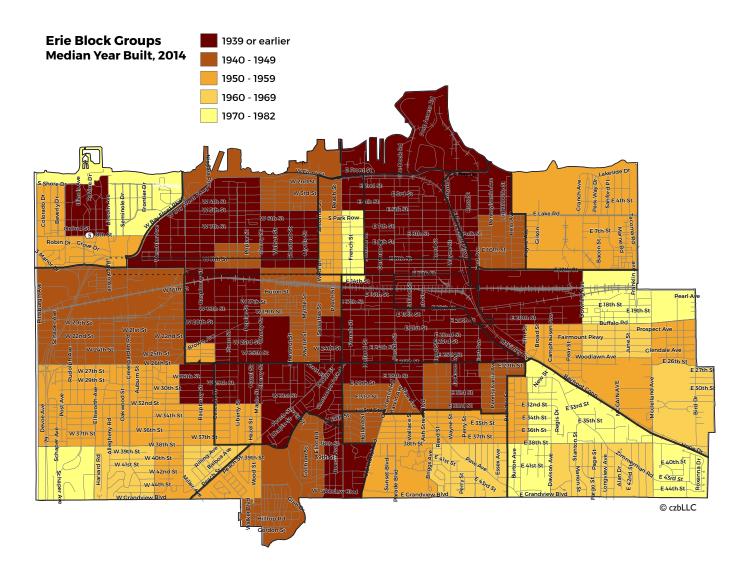


#### **Housing Value Map**

#### **Erie Block Groups Median Value, 2014**



## **Age of Housing Map**



## D. Economic Vitality

This plan embraces Destination Erie's Regional Economic & Workforce Strategy (2015) as a both a sound summary of current economic conditions and a solid blueprint for regional economic stabilization and growth. This plan also recognizes that investment decisions made in the City of Erie will have an outsized impact in the coming years on the entire region's health and competitiveness.

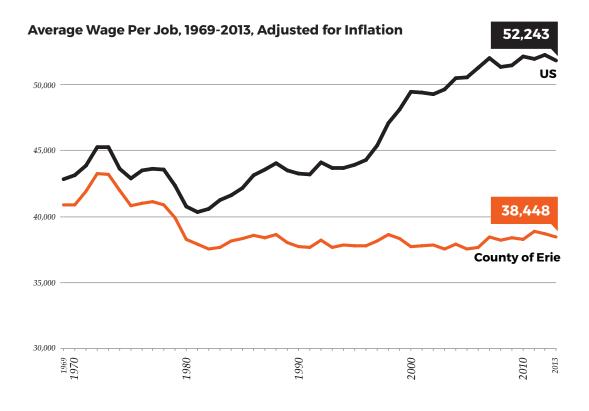
As the strategies outlined in this plan make clear, making the city's major assets the best they can be is central to the region's overall economic development. Cities today must have quality-of-life amenities that appeal to skilled workers – who are highly mobile and can choose to live and work almost anywhere. Entrepreneurs will not choose to locate in the region or stay in the region in sufficient number if Erie cannot compete with peer cities on the grounds of livability and lifestyle. Companies that need to attract and retain

skilled workers will have a difficult time doing so if the city isn't a vital part of their recruitment strategy.

This approach isn't just about skilled workers, though. If they are attracted to Erie and choose to live, invest, and start businesses in Erie, they will contribute to a more diversified and resilient economy and produce more opportunities across the labor market. A lack of diversity and heavy reliance on manufacturing has been one of Erie's key economic issues in recent decades, contributing to the region losing substantial ground on average wages as compared to wages nationally since 1970.

The four planning principles outlined in this plan, as well as recommended strategies for each planning area, should be considered and applied as the city and others make decisions regarding economic development programs and incentives.

#### **Table of Economic Measures**



## D. Transportation and Circulation

This comprehensive plan embraces the transportation policies outlined by the 2040 Erie County Long Range Transportation Plan. The overall goals of the 2040 plan, including the promotion of a safe multimodal transportation system; improving access and facilities for pedestrians and cyclists; improving access to employment, recreation, and major attractions; and prioritizing projects that promote economic development all support the overall objectives of this plan.

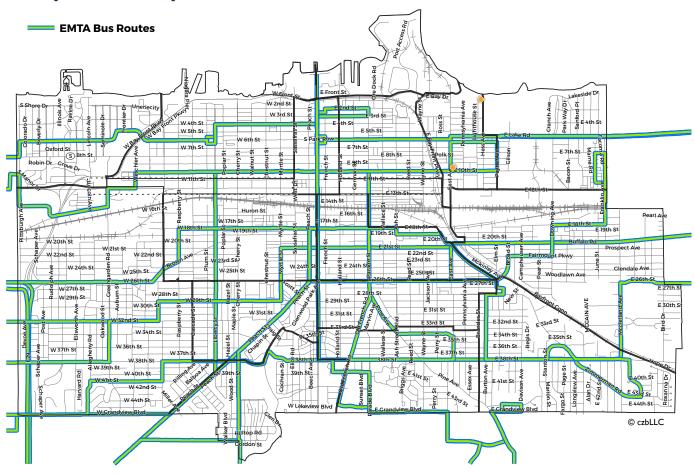
Importantly, these goals are about more than just movement and getting people and goods from one place to another. They are also about contributing to quality of life in the City of Erie and the creation of public facilities that strengthen the sense of place in Erie's neighborhoods, downtown, and Bayfront. In that light, investments in transportation infrastructure can and must play an important role in reinforcing Erie's major assets. And because these are often among the most expensive investments that a city or a region makes, it's important to get them right.

Among the strategies in this plan that pertain to transportation infrastructure, several pertain to strengthening the region's core. Improving the pedestrian experience in downtown Erie, on the Bayfront, and in the transitional space between downtown and the Bayfront will be key tests of this plan both in terms of aligning the resources to tackle such large projects and mobilizing multiple sectors and agencies to collaborate effectively.

The Erie Metropolitan Transit Authority (EMTA) plays an important role in making progress towards many of the 2040 Long Range's plans goals and currently maintains bus routes in every section of the city (see Bus Route Map), as well as a free Bayliner Trolley in the Downtown/Bayfront area. As part of a multi-modal, pedestrian-centered approach to building stronger neighborhoods and a stronger regional core, the role of EMTA should not be overlooked.

In addition to the 2040 Long Range Transportation Plan and specific strategies outlined in this comprehensive plan, the four planning principles outlined in this plan should be considered and applied as the city and others make any decision regarding transportation infrastructure.

#### **Transportation Map**



## F. Infrastructure and Utilities

Basic utility systems that are well maintained are essential to Erie's long-term competitiveness. As with other facets of the city's built environment, many elements of this infrastructure have excess capacity as a result of population decline, loss of industry, and other changes in recent decades.

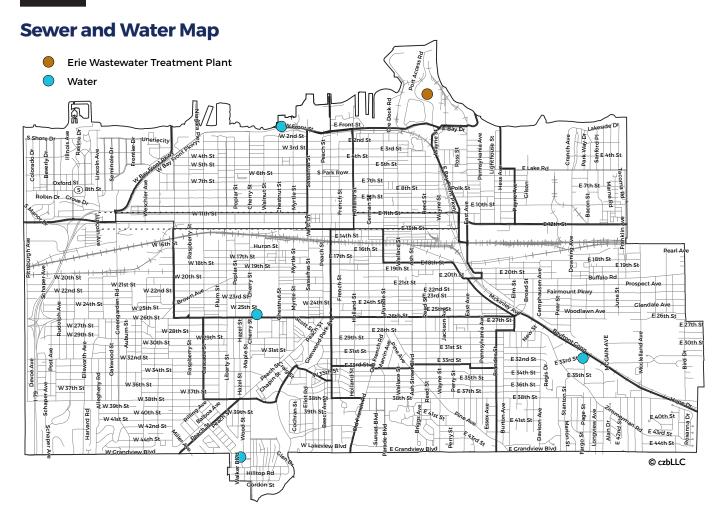
Erie's water services are provided by the Erie Water Works, which has the capacity to process 88 mgd (million gallons per day). It is currently permitted to withdraw 62 mgd from Lake Erie, which is more than sufficient for the 38 mgd of water used by customers within the city and surrounding municipalities. At the same time, the city's wastewater treatment facility, which treats waste from domestic and industrial users, is a state-of-the-art facility with plenty of excess capacity due to the closure of large industrial customers.

As part of overall efforts in the city to reduce redundant supply and infrastructure, Erie Water

Works and the Bureau of Sewers should evaluate the potential to decommission water and sewer lines (if feasible) in conjunction with land clearance and repurposing in fallow areas.

Erie's residential and commercial electricity needs are currently met by Penelec, which does not maintain generating capacity within city limits. It is noteworthy, however, that the city's zoning ordinance was amended in 2010 to recognize and regulate wind and solar collection systems, including Urban Solar Farms, in the city's zoning districts which may, in some areas, be a viable reuse option for vacant land.

As a matter of compliance with Article III of the Pennsylvania Municipal Planning Code, this plan recognizes that (1) lawful activities such as extraction of minerals impact water supply sources and such activities are governed by statutes regulating mineral extraction that specify replacement and restoration of water supplies affected by such activities, and (2) commercial agriculture production impact water supply sources.



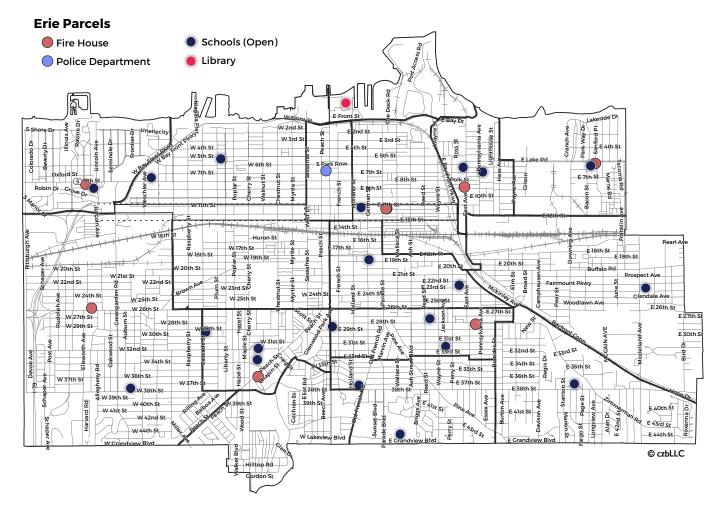
## G. Community Facilities and Services

Community facilities and services of all types are assets. This comprehensive plan identifies the reinforcement and protection of assets as a key planning principle and considers them potential focal points for a targeted investment strategy. And, as this plan makes clear, many facilities and services represent quality-of-life amenities that are vital to Erie's potential to attract and retain strong households and businesses.

But for a city that has substantially fewer people than at its peak population, and limited resources to adequately maintain some community facilities, these assets must also be viewed as part of an overall need to right-size. This will involve hard but sometimes necessary decisions to close some facilities or pareback on some services. Going forward, such decisions should be filtered through the four planning principles outlined in this plan, as well as recommended strategies for each planning area.

This comprehensive plan embraces the findings and recommendations of the Erie School District Optimization Plan (2015) as a sound example of master planning for an urban educational system in need of right-sizing due to long-term declines in enrollment and perennial budgeting challenges. It reflects an open and straightforward approach to right-sizing that should be followed by other sectors in the Erie region.

#### Police and Fire Stations, Schools and Library Map



## H. Environmental and Natural Resources

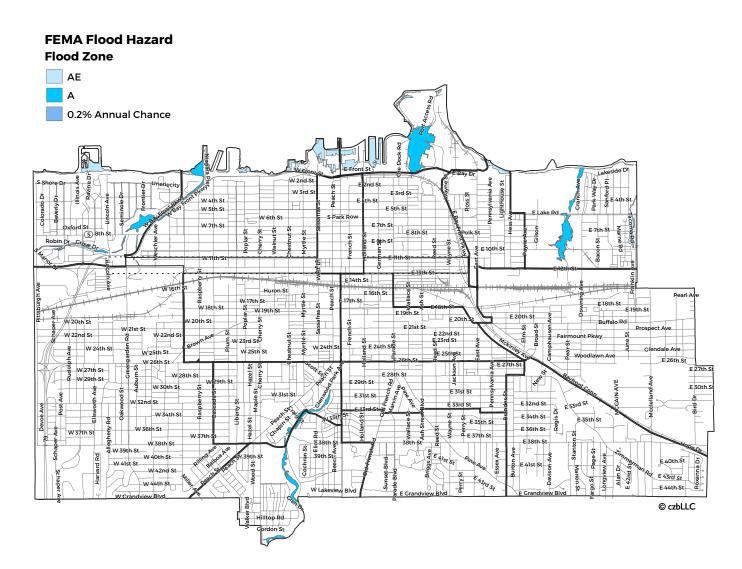
The importance of Erie's natural setting to its founding, its current existence, and its future competitiveness cannot be understated. It's an asset that, following the principles of this comprehensive plan, needs to be protected and leveraged to the city's full advantage.

The Bayfront is the city's greatest natural asset and also its most sensitive. Indeed, the portion of the City of Erie that runs parallel to the shoreline is classified as a Coastal Zone by the Coastal Zone Management Act in recognition of the need for careful stewardship. While pollution from industrial effluent has been

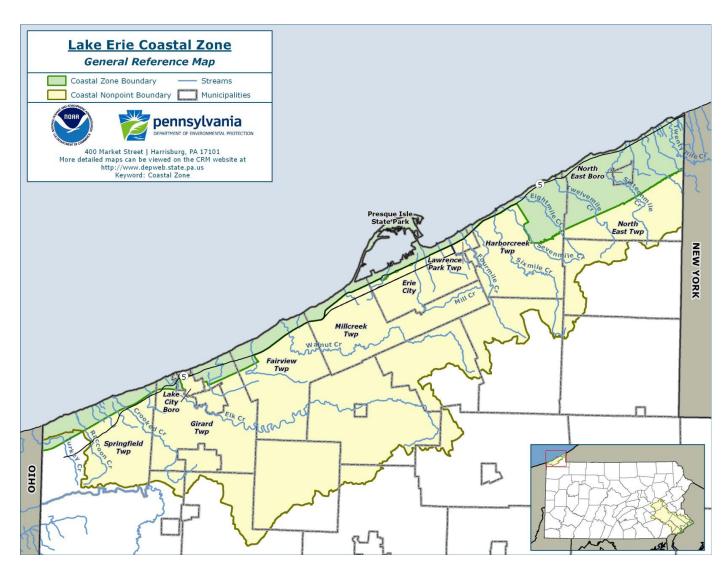
cut dramatically due to regulation and the decline of heavy industry along the Bayfront, Lake Erie as a whole remains troubled by pollution from agricultural runoff, as well as more urban sources — particularly stormwater runoff. The City of Erie participates in Erie County's Act 167 Stormwater Management planning process.

As demolition activity yields a growing supply of vacant and fallow land, Erie should consider opportunities to leverage vacant land as a tool to store and clean stormwater runoff while simultaneously beautifying and repurposing parts of the city.

#### **Flood Plains and Streams Map**



## **Coastal Zone Management Map**



## I. Historic Cultural Resources

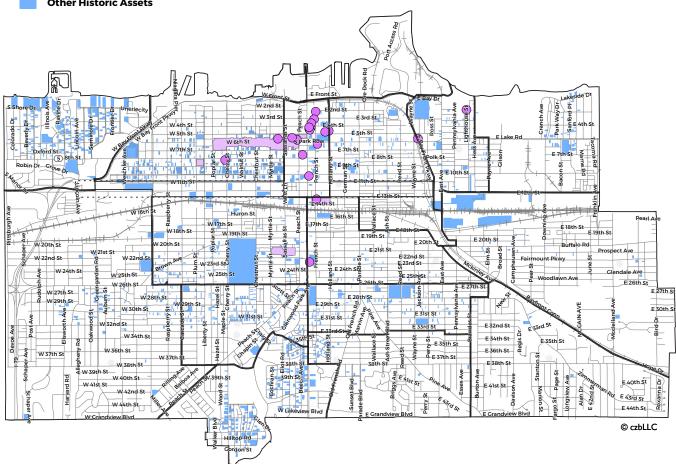
As county-wide historic resources inventory completed in 2014 demonstrates, the City of Erie has numerous historic assets. In the cities of Erie and Corry, combined, nearly 500 properties were deemed to be assets of significant architectural value that were eligible or potentially eligible for listing on the National Register of Historic Places. An additional 2,000 properties in the two cities were deemed to have local significance with historic integrity worth preserving. The Historic Assets Map shows both the historic assets identified by the 2014 inventory as well as those assets currently listed (individually or in districts) on the National Register of Historic Places.

As with most other facets of the city, historic resources in Erie are affected by weak market conditions that can make it difficult for the private sector to tackle historic preservation projects without some assistance — be it in the form of federal tax credits, property tax incentives, grants, or other subsidies — until market conditions improve. This plan includes strategies to make resources available to a greater number of properties in order to leverage the placemaking value of the city's historic assets.

But if resources are limited, how and where should support for historic preservation efforts be directed? The four planning principles outlined in this plan, as well as recommended strategies for each planning area, should be considered and applied as the city and others make decisions that affect Erie's historic and cultural resources.

#### **Historic Assets Map**

- Historic Asset (National Register)
- Historic District (National Register)
- Other Historic Assets



## J. Data Notes

#### Pg 15, Disinvestment is contagious

<sup>1</sup>The \$96 million annual "reinvestment deficit" for Erie was generated using data from the U.S. Census Bureau's American Community Survey (2011-2013). It is based on the assumption that all property owners in Erie could spend 30 percent of their household incomes on housing, a standard definition of housing affordability in the United States. Due to relatively low prices in the Erie market, many households spend well under 30 percent on housing. Using detailed estimates of spending by households in eight different income cohorts, an accumulated gap (between what households were spending on housing and what they could be spending) was determined.

#### Pg 15, Disinvestment is costly

<sup>2</sup>The \$1,200 annual loss in property tax revenue to the city is based on a scenario where a house that is in very good condition has a market value of \$52,000 on a street with multiple blighted houses but that has the potential to be worth \$157,000 if it were on a blight-free street. This difference in value was generated using czbLLC's comprehensive survey of housing conditions and an analysis of average sale prices in Erie. This scenario is used to demonstrate how blight effects market value and municipal revenues and cannot be extrapolated or aggregated to determine citywide revenue lost to blight.

#### Pg 28, Residential Property Values Are Rising

<sup>3,4</sup>Property value assessments in Erie County are updated too infrequently to be the useful and timely gauge of progress that they need to be. It is recommended that properties countywide be reassessed every three years or whenever a property is sold, whichever is sooner. This is a standard practice in a growing number of communities.

Maps from pages 54 to 81, "Blocks where investment yields higher value" "Blocks where investment yields higher value" refers to blocks where there is a demonstrated and significant difference between homes of different conditions; specifically, where homes in better condition sell for more than others. Blocks that have this positive market characteristic are those where (1) the assessed value of homes rated as "2s" by the comprehensive 1-5 scoring process were at least \$5,000 greater, on average, than homes rated as "3s" OR (2) the assessed value of homes rated as "3s" were at least \$10,000 greater, on average, than homes rated as "4s."