

# CITY OF NEW ORLEANS BlightSTAT

Reporting Period: November 2017

Bright Idea ASH CENTER for Democratic Governance and Innovation www.nola.gov/opa

**Office of Performance and Accountability** 

### **Overview of the Blight Reduction Process**



# **Action Items**

Assigned	Responsible	Action	Notes			
3/9/2017	MacPhee Primeaux	Update abatement decision tool to prioritize sale queue.	<ul> <li>Classification tool is being loaded into LAMA for operational use.</li> <li>LAMA-related issue is being resolved.</li> </ul>			
9/14/2017	Dyer	Work with outside vendor to more efficiently connect interested buyers to lien foreclosure properties.	<ul> <li>Legal basis under review.</li> <li>As part of this stream of work, Code Enforcement also working with Community Development to connect potential buyers to home modification funds.</li> </ul>			
9/14/2017	Zeller Poche Hagan	Implement grass-cutting lien program.	<ul> <li>Currently working with NOLABA to finalize operational structure.</li> </ul>			



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#### Data Source: LAMA

#### **Definitions:**

*Inspection:* An evaluation of a property to determine if it is in violation of City codes. Inspections can include initial inspections, reinspections, postings of hearings, posting of judgments, and demolition inspections.

#### Note:

Demolition inspection numbers are not captured in data.nola.gov. These come from Code Enforcement.

### **Total inspections were below 2016 figures**

Total inspections by month



Data Source: LAMA

#### **Definitions:**

New Initial Inspection: An initial inspection on a new case. New initial inspections are a subset of the initial inspections shown on the previous slide

### Initial inspections averaged 47 days; median was 40 days



Data Source: LAMA

#### **Definitions:**

New Cases: Any case that is opened after January 1<sup>st</sup>, 2013 New Initial Inspection: An initial inspection on a new case. New initial inspections are a subset of the initial inspections shown on the previous slide Queue: The list of all new cases awaiting inspection

### Fewer than 50 initial inspections were outstanding beyond 60 days, with the total backlog under 200

Open cases with no inspection by days since filing





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**Data Source:** LAMA

#### **Definitions:**

Research: Cases under the process of title research to determine all owners that must be notified of a hearing

### Average time to complete research was 13 months – properties had 7 Code violations on average

Research by months since initial inspection



Data Source: LAMA

#### **Definitions:**

Research: Cases under the process of title research to determine all owners that must be notified of a hearing

# The title research queue was above 3,600 as of December 1

Open cases with pending research by months since last inspection







#### Responsible Organization: Code Enforcement Data Source: LAMA

#### Definitions:

*Guilty:* A hearing where the property is judged to be blighted *Violations Abated:* A hearing where the property is judged not to be blighted (though fines from previous violations may be levied). As of June 2014, judgments of "Dismissed Abated" are counted under Violations Abated.

Work in Progress: A hearing where the property is not yet in compliance but the owner has proof that they are in the process of bringing it up to code Insufficient Notice: A hearing where Code Enforcement did not give the property owner the necessary amount of time before the hearing, leading to the case being reset No Reinspection: A hearing where Code Enforcement failed to inspect the property in sufficient time (five days), leading to the case being reset Other Legal Issue: Cases reset or closed for factors beyond Code Enforcement's control. In many cases the property is in compliance.

# Hearing outcomes have not shown a clear trend over the past two-years



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# Staff were able to hold down the number of reinspection and notice resets





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Data Source: LAMA

#### **Definitions:**

In Compliance: A hearing where the property is judged not to be blighted (though fines from previous violations may be levied)

Approved Lien Waivers:

When a property is found guilty at a hearing, the City can place a lien on the property that the owner must pay. If the owner later brings the property up to code, they can file to have the lien removed.

#### Note:

Properties with a Judgment of Dismissed Abated are not counted in this measure

# 10 lien waiver applications were approved out of 17 applications



Data Source: LAMA

#### **Definitions:**

Awaiting Review:

Open cases with guilty judgments that have not yet been reviewed.

#### Note:

Abatement decision event is generally triggered after lien has been added to tax bill.

### About 250 abatement decisions were pending at the end of the month





#### Responsible Organization:

Code Enforcement, Law

#### Data Source:

Law Department, Housing Unit, **Definitions:** 

Code Lien Foreclosure/Sheriff's Sale:

Once a property is judged guilty of blight the city begins placing liens against the property which the City can then foreclose on as the creditor. If the property owner does not pay these fines and abate the code violations, the foreclosure proceeds as a Sheriff's sale where the Orleans Parish Sheriff's Office sells the property at a public auction.

#### Accepted Files:

All cases that are filed successfully, with no legal issues.

Title Research:

Cases that are not accepted because of errors involving ownership identification. *Procedural Deficiency:* 

Cases that are not accepted because of errors made during administrative adjudication. These errors include insufficient notice of hearing, insufficient notice of judgment, improper form of notice, improper form of judgment, and any other substantial errors that occur during the administrative adjudication process.

External Factors:

Cases that are not accepted for reasons beyond the control of the Law Department, such as the property owner paying their lien.

# 17 properties were approved for sale, with 2 errors identified



#### Responsible Organization:

Code Enforcement

#### Data Source:

Law Department, Housing Unit **Definitions:** 

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Once a property is judged guilty of blight the city begins placing liens against the property which the city can then foreclose on as the creditor, commonly called a code lien foreclosure. If the property owner does not pay these fines and abate the code violations, the foreclosure proceeds as a Sheriff's sale where the Orleans Parish Sheriff's Office sells the property at a public auction.

### 6 properties sold across the city in November, with 77 total sales at auction completed in 2017



BlightSTAT December 14, 2017

#### Responsible Organization: Code Enforcement

#### Data Source:

Law Department, Housing Unit **Definitions:** 

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### Average sale price at auction was more than \$28,000

Property Address	Sale Amount	Sale Date	Sale Status	
7725 LEHIGH STREET	56,667	11/30/2017	Sold	
60 TRADEWINDS COURT	40,000	11/16/2017	Sold	
2126 ARTS STREET	26,667	11/16/2017	Sold	
2537 FRENCHMEN STREET	26,000	11/30/2017	Sold	
4920 DREUX AVENUE	17,100	11/9/2017	Sold	
4500 KNIGHT DRIVE	6,000	11/16/2017	Sold	
7621 MACKENZIE STREET	0	11/30/2017	No Bid No Sale	
6343 KINGSTON COURT	0	11/16/2017	No Bid No Sale	
3101 DIANA STREET	0	11/16/2017	No Bid No Sale	

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#### Accepted Files:

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#### External Factors:

Cases that are not accepted for reasons beyond the control of the Law Department, such as the property owner paying their lien.

#### Note:

All of the rejected files were from cases from 2009.

# 7 files were approved for demolition, with only 1 error identified



### **FEMA Funded Demolitions Program**

Status of the 383 cases Conditionally Approved for FEMA Funded Demolition...



# Code Enforcement has reached an abatement strategy or is awaiting abatement on eight priority commercial properties

Stage	Address	Description	Status	Owner
Abatement Strategy Reached	2800 Sullen Pl	6401-6403 General Meyer	Current Status: Bankruptcy has been discharged therefore the City will be moving forward on abatement. Prior status: On hold for bankruptcy. For updated information inquire with the Sheriff's Office website using case number 2017-5215.	
	3010 Sandra Dr	Crescent City Gates	Current Status: Property sold on 9/7/2017 for \$285,000.00. Deed recorded on 11/6/2017. Inspection will occur in February of 2018. The City will give the new owner time to secure the property and commence work. The New owner is listed as Granaio, LLC and the registered agent of the corporation is Joshua Bruno.	Granaio, LLC
	8500 Lake Forest Blvd	Abandoned Gas Station	Current Status: We are exploring setting the property for sale again if the balance is not paid. Prior Status: Property sold at second sale on 6/29/2017 for \$35,000.00. Recordation of deed pending.	Sterling McKeithen et al
	6701 I-10 W Service Rd	30 I-10 Service Rd	Current Status: The Bank of Louisiana foreclosed on this property on 11/30/2017 and is the current owner and the City therefore should receive payment of taxes and liens. The City will contact the bank about condition once the Sheriff's Deed is recorded.	Stephen A Uwaezuoke
Awaiting Abatement	4402 Reynes Blvd	Haydel Heights Apartments	Current Status: Property received guilty judgment in the amount of \$9,705.00 plus daily fines. We will pursue lien foreclosure if the owner does not pay the judgment after the period for appeal has elasped. Previous Status: Renovation agreement signed (which included 6800 Cindy, 6801 Cindy, 10141 Curran, 6700 Cindy, & 6701 Cindy)CEHB monitoring.	Grace Park Townhome Apartments, LLC
	6880 Parc Brittany Blvd	Brittany Court Condominiums	<b>Current Status: Hearing will be scheduled by end of January 2018.</b> Working on researching this property in order to get an actionable judgment. Once we have that judgment we will decide on abatement options.	Otis Lain et al
	12001 I-10 Service Rd	La Quinta Inn	Lien foreclosure case was filed in early November 2017 and the sale date is 2/8/2018. Please check on the status using 2017-10660	Bullard Mall LLC

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# Eight priority commercial properties are currently being monitored by Code Enforcement

Address	Description	Status	Owner
609 Jackson Ave	Formerly a hospital	Current Status: Owner was contacted about condition. We will follow up with either proof of abatement or work in progress or we will go to hearing. Prior Status: Property was inspected September 14, 2017 and has some violations. We will contact the owners about the condition and potentially send the property to hearing if not resolved.	609 Jackson LLC
1008 Jourdan Ave	Former school building (TJ Semmes Elementary School) in Holy Cross	Property Sold at auction on 4/27/2017 for \$675,00.00. Sheriff's Deed recorded 10/18/2017. We will give the new owner time to commence work.	1008 Jourdan SPE LLC.
2616 S. Claiborne Ave	Cornerstone Homes	Current Status: Property sold to third party by prior owner on 10/18/2017. Inspection will occur in January of 2018. Prior Status: Renovation agreement signed September 2017CEHB monitoring.	UJMK Realty LLC
6324 Chef Menteur Blvd	Old Hotel by I- 10	Current Status: Permits pulled 9/2017. Property will be inspected for work in progress and debris maintenance in January of 2018. Previous Status: Property sold on 10/20/2016 for \$166,666.67. Sheriff Deed recorded on 3/29/2017. Sold again post Sheriff Sale on 6/15/2017 to experienced developer.	6400 Chef Menteur LLC
6700 Plaza		<b>Current Status: Owner submitted pictures showing clean up of the exterior.</b> Prior Status: Property was inspected September 15, 2017 and has some violations. We will contact the owners about the condition and potentially send the property to hearing if not resolved.	6700 Plaza Drive LLC
6800 Plaza	Medical Facility	<b>Current Status: Hearing will be scheduled by end of January 2018.</b> Previous Status: Owner was contacted about condition. We will follow up with either proof of abatement or work in progress or we will go to hearing Property was inspected September 15, 2017 and has some violations. We will contact the owners about the condition and potentially send the property to hearing if not resolved.	Oschner Clinic Foundation
10101 Lake Forest Blvd	Forest Towers East Apartment Building near Bullard	Current Status: Owner was contacted about condition. We will follow up with either proof of abatement or work in progress or we will go to hearing. Prior Status: Property was inspected September 14, 2017 and has violations. We will contact the owners about the condition and potentially send the property to hearing if not resolved	Lake Forest Tower LLC
10112 Plainfield Dr	Large empty lot near Read I-10 Exit	Current Status: Owner was contacted about condition. We will follow up with either proof of abatement or work in progress or we will go to hearing. Prior Status: Property was inspected September 14, 2017 and has some violations. We will contact the owners about the condition and potentially send the property to hearing if not resolved.	J C BERN-MAS INVESTMENTS LLC

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### An additional two properties are currently in litigation

Address	Description	Case information	Owner
5300 Franklin Ave	38884 Dreux (hold includes 5324 Franklin Ave, 5332 Franklin adjacent vacant lots.)	<b>Owner is appealing the Code Enforcement</b> <b>judgment</b> . A court date has not been set. For updated information inquire with the Clerk of Court using case number 2015-02889	DMK Acquisitions And Properties, LLC
5328 Franklin Ave	Vasquez Building (DMK) hold includes 3 Dreux Avenue and 5332 Franklin Ave adjacent vacant lots.	<b>Owner is appealing the Code Enforcement</b> <b>judgment</b> . A court date has not been set. For updated information inquire with the Clerk of Court using case number 2015-02888	DMK Acquisitions And Properties, LLC

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### REINVESTMENT



# NORA: Affordable Housing Program Status

Affordable Housing Programs Administered by NORA as of 12/01/2017															
Project Name	# Completed Projects	# Sold to New Resident (Δ)	Sale/Rent	# Construction Complete (Δ)	Construction	# Sold to Developer (Δ)	Option to Purchase	Agreement	Pre- Development	Total Number of Parcels					
Lower 9 Ward Development Initiative	1	. 0	) 0	0	9	5	0	0	165	175					
Residential Construction Lending, 2	39	, 0	1	0	16	0	0	0	20	76					
Residential Construction Lending, 3	0	0	0	0	3	0	0	0	4	7					
Orleans Housing Investment Program	0	0	0	0	0	0	0	0	36	36					
Total	40	0	1	0	28	5	0	0	225	294					

5 new parcels sold to developer for the construction of Affordable Housing Unit in the Lower Ninth Ward



#### **Responsible Organization**:

Office of Community Development (OCD)

Data Source:

OCD

Definitions:

Rental Housing Program:

This program provides quality, affordable rental housing for low-income families

# The 14-unit scattered site Redmellon development is nearing completion





#### **Responsible Organization:**

Office of Community Development (OCD)

#### Data Source:

OCD

#### Definitions:

*Owner-Occupied Rehabilitation Program:* This program provides financial assistance to low income homeowners to repair their residences, while bringing them up to code and reducing blight.

# The OOR program completed three substantial rehabs and one home modification in November

