



**Meeting the challenge of Black middle neighborhoods in legacy cities**

**Alan Mallach, Center for Community Progress**



# MIDDLE NEIGHBORHOODS

**National Initiative** focused on mobilizing attention to reverse the trend of decline in middle neighborhoods. The initiative does this through research, policy analysis, communications, and advocacy.

The initiative is coordinated by the **National Community Stabilization Trust** and is advised by a **Steering Committee** of 20 prominent researchers, practitioners, and policy makers.



*This webinar presented by*  
**The Middle  
Neighborhoods  
Community of  
Practice  
(CoP)**

The **Middle Neighborhoods CoP** is an informal, facilitated network of over 300 practitioners, researchers and policymakers engaged in revitalizing middle neighborhoods. CoP members share learnings through topical webinars, referrals, site visits, phone calls, and occasional larger group events.

The CoP is supported by **NeighborWorks America** and staffed by a small team of organizers.

Join the Community of Practice at [middleneighborhoods.org](http://middleneighborhoods.org).



# Characteristics of Middle Neighborhoods

- ◆ Mostly single-family housing, built for families with children.
- ◆ Still well more than 50% owner-occupied, but slowly eroding.
- ◆ Housing stock is aging, still in generally acceptable condition, but lacks features and updates to compete well for today's homebuyers.
- ◆ Property values range from slow decline to flat to underperforming against city and/or inflation.
- ◆ Most of our members do not see hyper-inflation of housing price as a risk in their middles. Only a few middle neighborhoods, those in prime locations and usually mostly white, are appreciating, even gentrifying.
- ◆ More racially and ethnically diverse, a holder of hard-won middle household wealth



# Middle Neighborhoods Are Faltering In Their Sustainability

- ◆ Ability to ***reliably attract replacement owner occupants*** and other neighborhood-friendly buyers.
- ◆ Ability to ***generate home values that support quality maintenance***, repairs and updates without appraisal gaps.
- ◆ Ability to ***repel irresponsible investors***.
- ◆ Ability to ***maintain engaged residents taking stewardship*** of the neighborhood.
- ◆ Ability to ***deliver home equity to owners and revenue to***

Click [here](#) to learn more about defining Middle Neighborhoods

Refresh Your Map Zoom Questions or feedback? Type in location GO

**Your Map**

Map Satellite

**Choose a 2014-2018 layer to display**

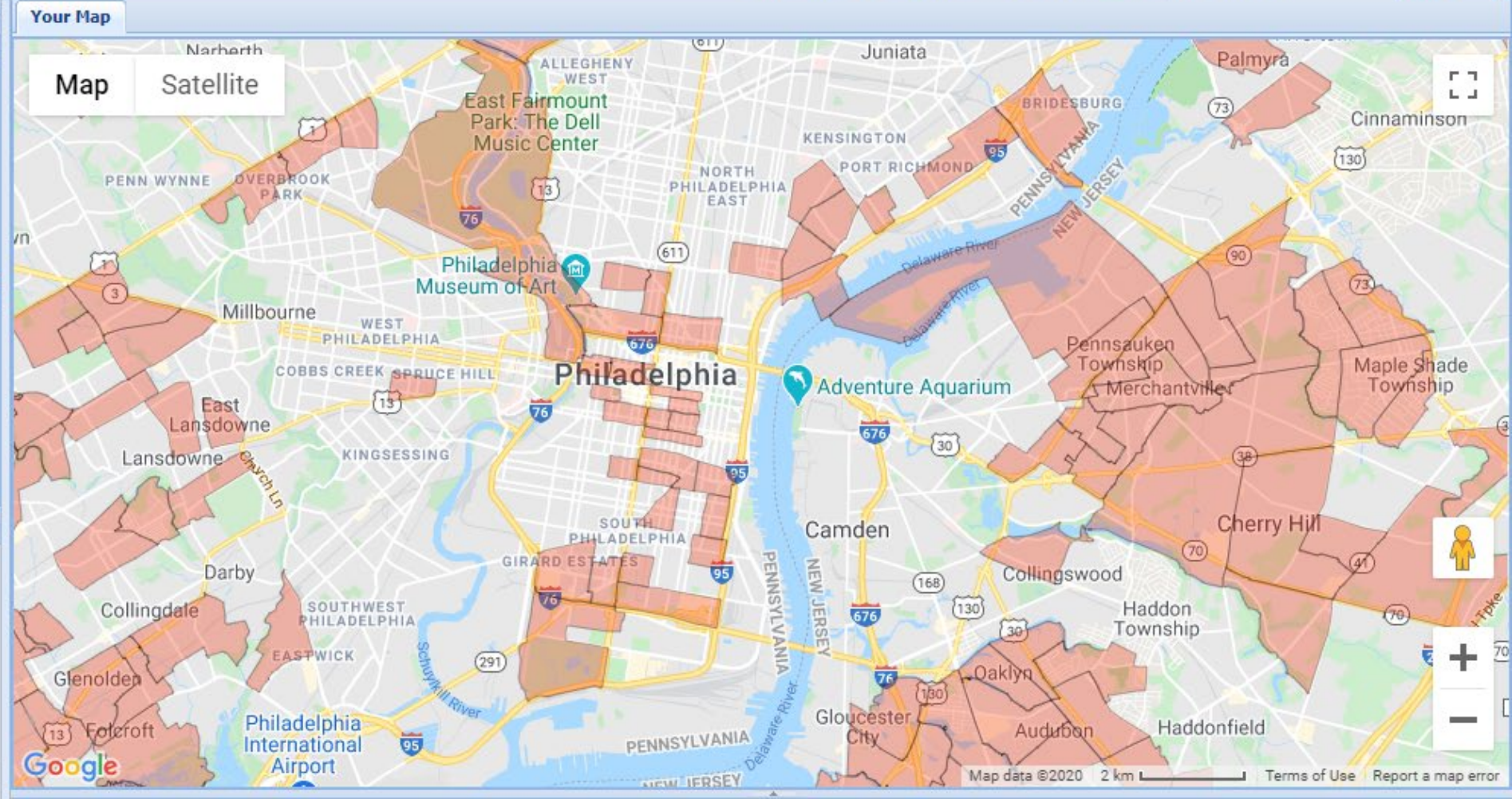
- 2018 City Test 1: 60-100% CMI
- 2018 City Test 2: 80-120% CMI
- 2018 National Test 1: 60-100% NMI
- 2018 National Test 2: 80-120% NMI
- 2018 Regional Test 1: 60-100% AMI
- 2018 Regional Test 2: 80-120% AMI
- 2018 Regional Test 3: 100-160% AMI

**Choose a 2006-2010 layer to display**

- 2010 City Test 1: 60-100% CMI
- 2010 City Test 2: 80-120% CMI
- 2010 National Test 1: 60-100% NMI
- 2010 National Test 2: 80-120% NMI
- 2010 Regional Test 1: 60-100% AMI
- 2010 Regional Test 2: 80-120% AMI
- 2010 Regional Test 3: 100-160% AMI

**MSAs**

- Panama City, FL Metro Area
- Parkersburg-Vienna, WV Metro Area
- Pensacola-Ferry Pass-Brent, FL Metro Area
- Peoria, IL Metro Area
- Philadelphia-Camden-Wilmington, PA-NJ-DE-MD Metro Area
- Phoenix-Mesa-Scottsdale, AZ Metro Area
- Pine Bluff, AR Metro Area
- Pittsburgh, PA Metro Area
- Pittsfield, MA Metro Area



Displaying census tracts with median household incomes between 80 and 120 percent of regional/MSA median (\$69,465), or \$55,572 - \$83,358

## Today's Agenda

- ♦ Welcome to the Middle Neighborhoods Community of Practice
- ♦ Overview of Report and Response
- ♦ Panel Discussion
- ♦ Q&A
- ♦ Closing, and What's Next?

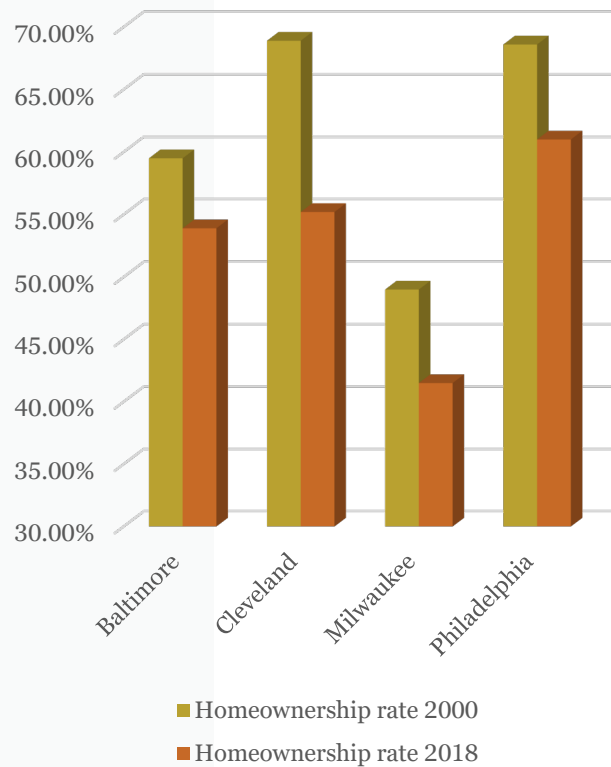
## Guests

- ♦ **Alan Mallach**
  - ♦ Senior Fellow, Center for Community Progress
- ♦ **Nedra Sims Fears**
  - ♦ Executive Director, Greater Chatham Initiative, Chicago IL
- ♦ **Cherelle Parker**
  - ♦ Majority Leader and Councilwoman, 9<sup>th</sup> District, Philadelphia
- ♦ **Moderator: Keith Boykin**
  - ♦ CNN Political Commentator and Author

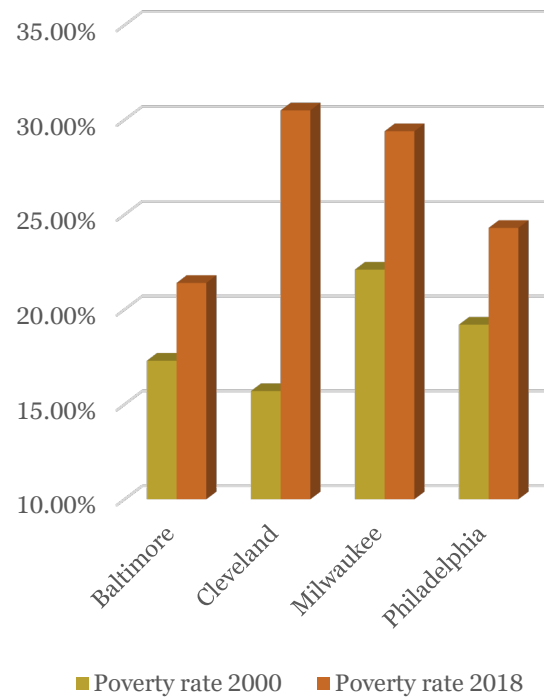


# Change in middle neighborhood indicators 2000 to 2018

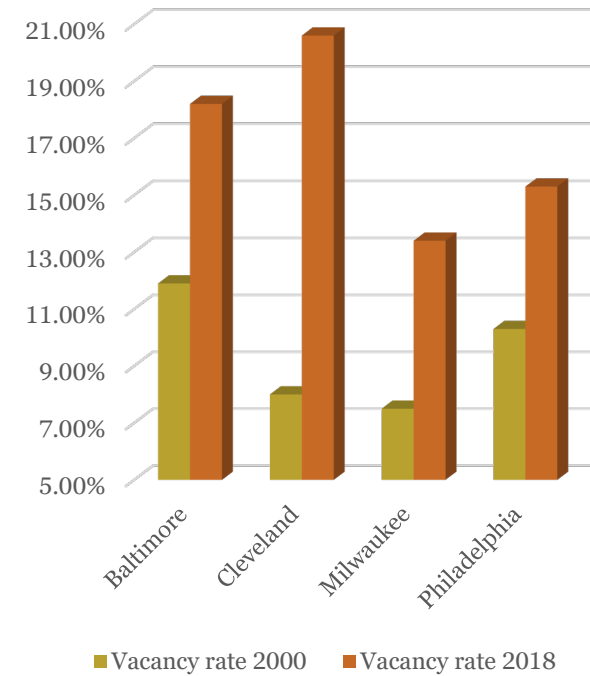
## Homeownership rate



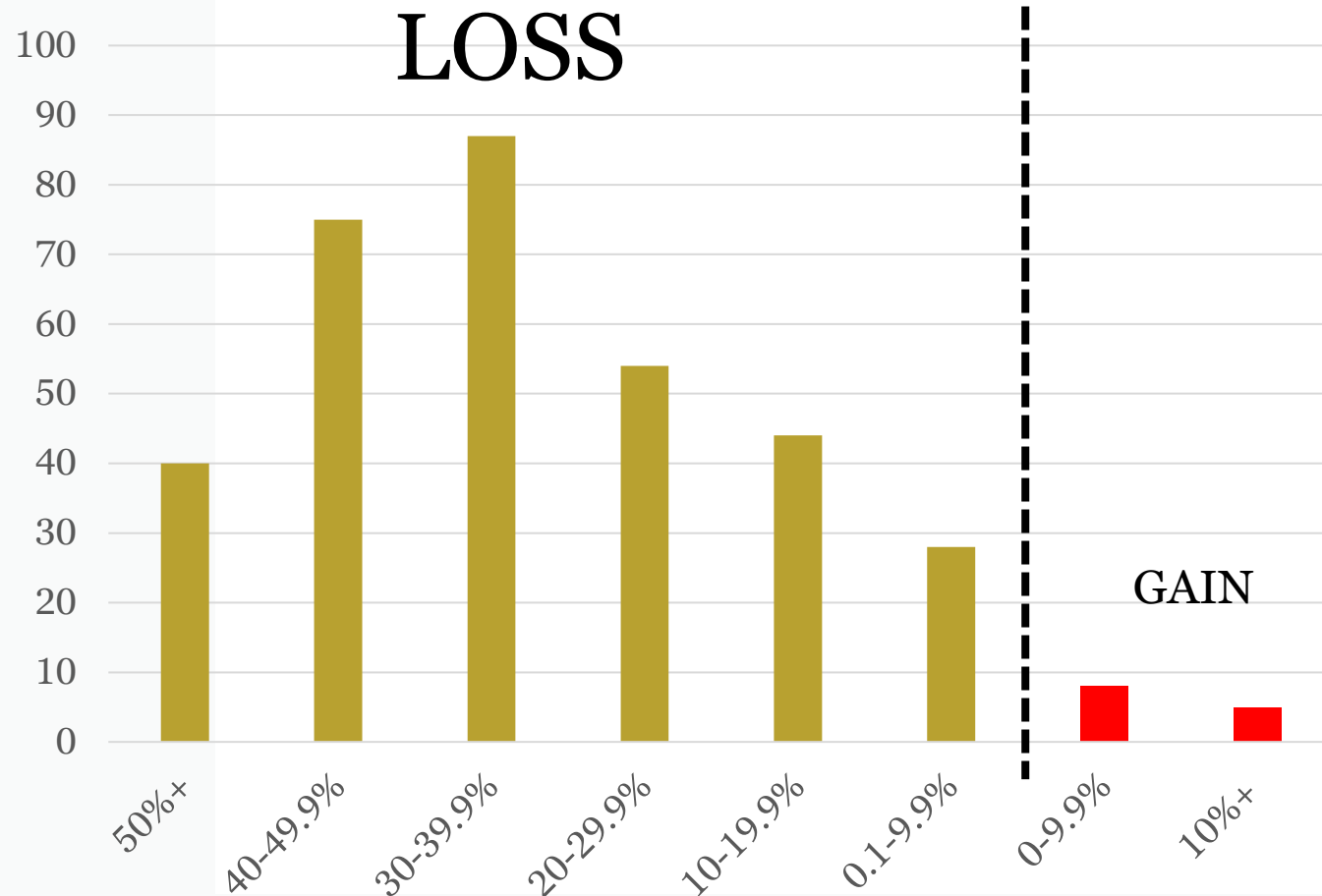
## Poverty Rate



## Vacancy rate



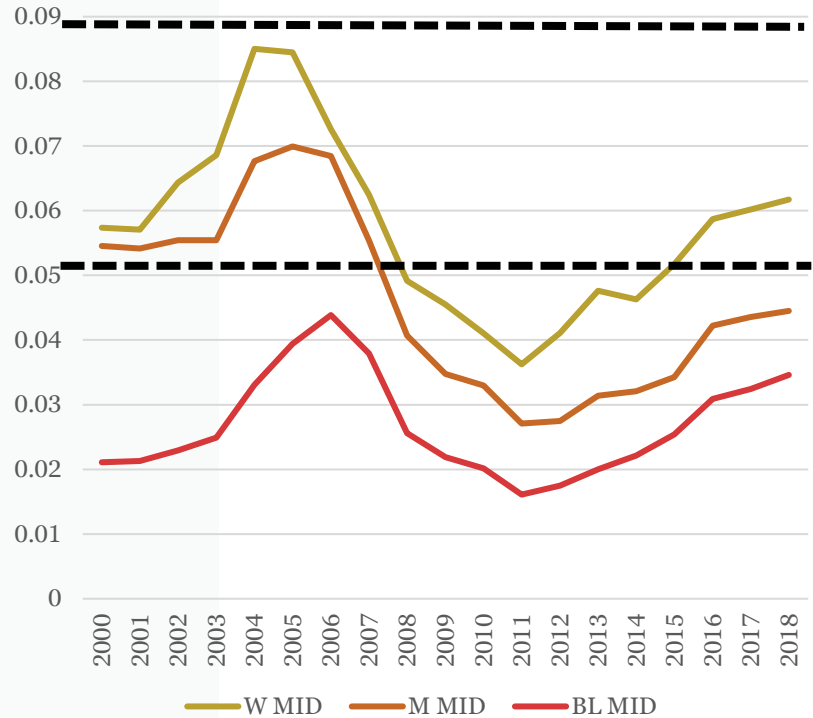
# Change in median household income by number of census tracts (adjusted for inflation) 2000 to 2018



- From 2000 to 2018, median real household incomes dropped by 30% or more in 60% of all Black middle neighborhood census tracts.
- Less than 5% of Black middle neighborhood tracts saw gains in real household income

# Market trends 2000 to 2018

## Sales volumes and replacement range in Philadelphia

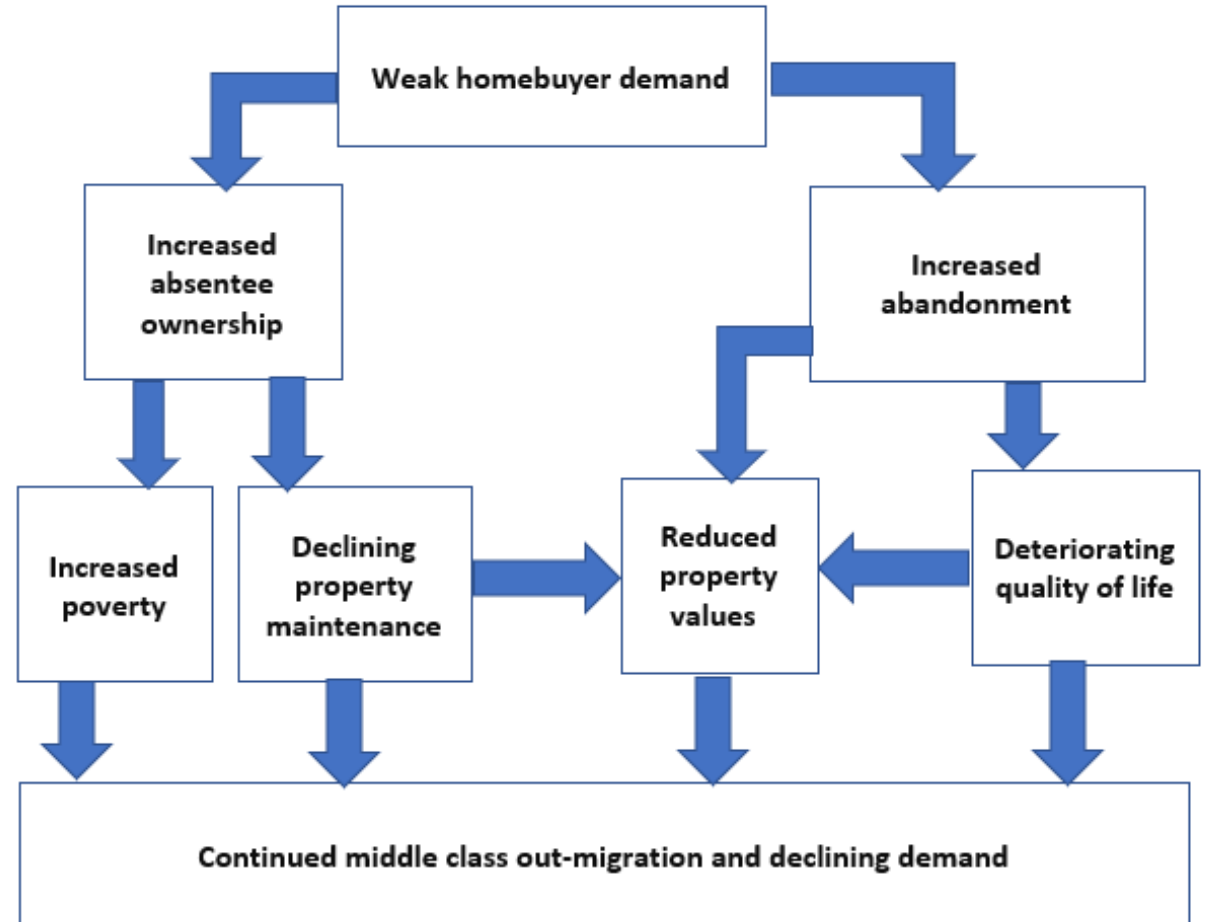


## Sales price trends in Cleveland

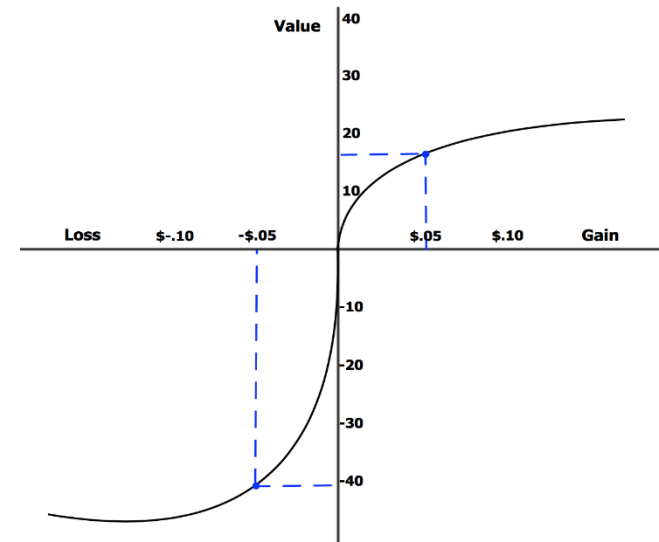
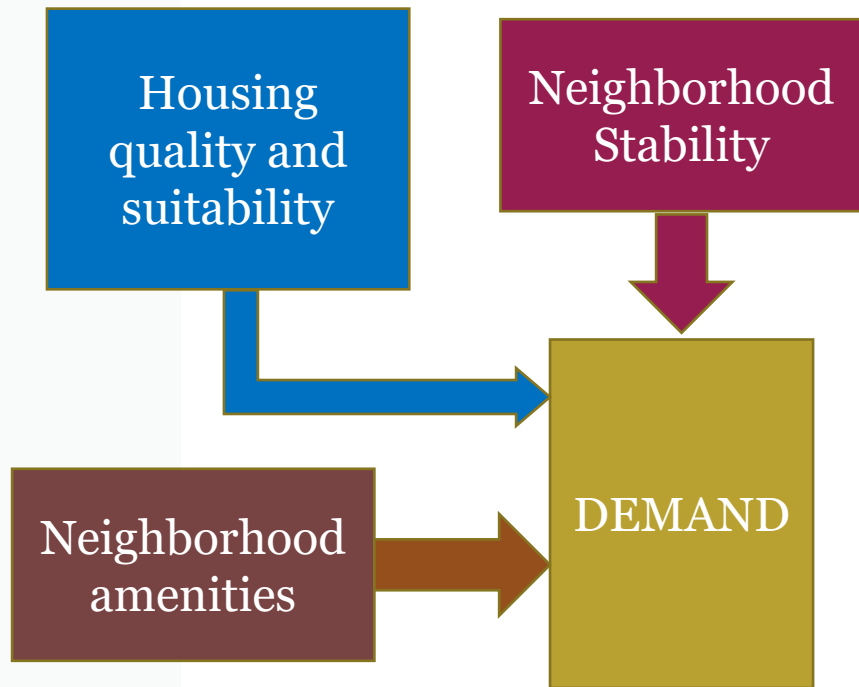


- Black middle neighborhood homebuying falls short of replacing normal turnover
- Black middle neighborhood prices have fallen behind prices in other middle neighborhoods.

# The vicious cycle of low demand



# What drives demand?



The value function

# The challenge

- ♦ Rebuilding the neighborhood housing market
- ♦ Addressing quality of life issues
- ♦ Building a stronger neighborhood economy
- ♦ Developing human capital
- ♦ Building community cohesion
- ♦ Confronting structural racism



# Strategies for market building

ELEMENTS	STRATEGIES
<b>Neighborhood marketing</b>	<ul style="list-style-type: none"><li>▪ Neighborhood branding</li><li>▪ Target marketing</li><li>▪ Increasing neighborhood ‘curb appeal’</li></ul>
<b>Ensuring availability of suitable housing options</b>	<ul style="list-style-type: none"><li>▪ Rehab and ready programs</li><li>▪ Half-bath program</li><li>▪ ‘Model block’ programs</li></ul>
<b>Expanding the pool of potential homebuyers</b>	<ul style="list-style-type: none"><li>▪ Increasing access to credit</li><li>▪ Homebuyer counseling</li><li>▪ Down payment and closing cost assistance</li><li>▪ Rent to own (lease-purchase) programs</li><li>▪ Programs to ensure sustainable homeownership</li></ul>
<b>Supporting existing homeowners</b>	<ul style="list-style-type: none"><li>▪ Home repair and upgrading loans and grants</li><li>▪ Accessing property tax relief programs (circuit-breakers)</li><li>▪ Homeowner counseling and assistance</li><li>▪ Foreclosure prevention programs</li></ul>



Thank you.

[amallach@comcast.net](mailto:amallach@comcast.net)



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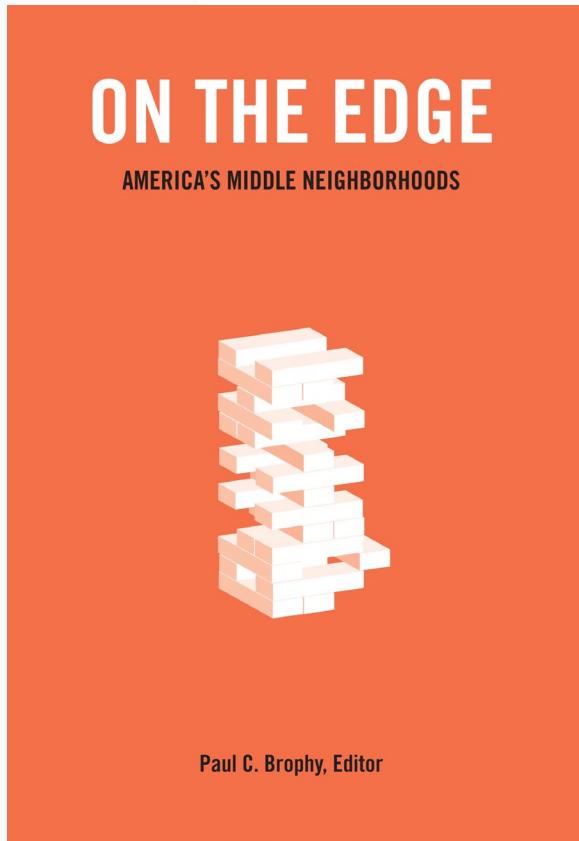
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# Questions or Ideas?



## MIDDLE NEIGHBORHOODS

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### Why Middle Neighborhoods Matter

In many cities, up to forty percent of residents live in middle neighborhoods, representing a major source of

### UPCOMING EVENTS

#### THE MIDDLE NEIGHBORHOODS CONVENING IN CHICAGO

##### WHEN

More information forthcoming

[Learn more >](#)

### JOIN THE CONVERSATION

 [Middle Neighborhoods](#)

## MIDDLE NEIGHBORHOODS

May 2019 Newsletter



Cleveland community celebrates opening of new bike lane in Old Brooklyn with Mayor Frank Jackson. Photo credit: Old Brooklyn Community Development Corporation.

### [What We Talk About When We Talk About Middle Neighborhoods](#)

By Nelson Beckford, The Cleveland Foundation

Picture this: a rectangular table with 30 leaders from Cleveland's community development field. We were there to discuss the concept of "middle neighborhoods" and to provide a recap of the Middle Neighborhood working group meeting in Cleveland for those who weren't able to join. I didn't know what to expect. Will the group take offense to the term "middle neighborhood"? [Read more](#)

## For more Information

[www.middleneighborhoods.org](http://www.middleneighborhoods.org)

Mapping Tool: <http://middleneighborhoods.reomatch.com/>