



Partnering With CDFIs to Get More Capital Into Your Middle Neighborhood for Home Improvement, Business Development and More



The purpose of a CDFI – a Community Development Financial Institution – is to provide financial services to geographical areas and specific populations that historically have unmet financial needs. Products vary but may include loans for residential or commercial real estate development, business enterprises, consumer or intermediary needs or funds for other initiatives. Ultimately, CDFIs widen the streams of capital flow through greater risk tolerance, flexible underwriting criteria and a willingness to customize products for specific unmet needs.

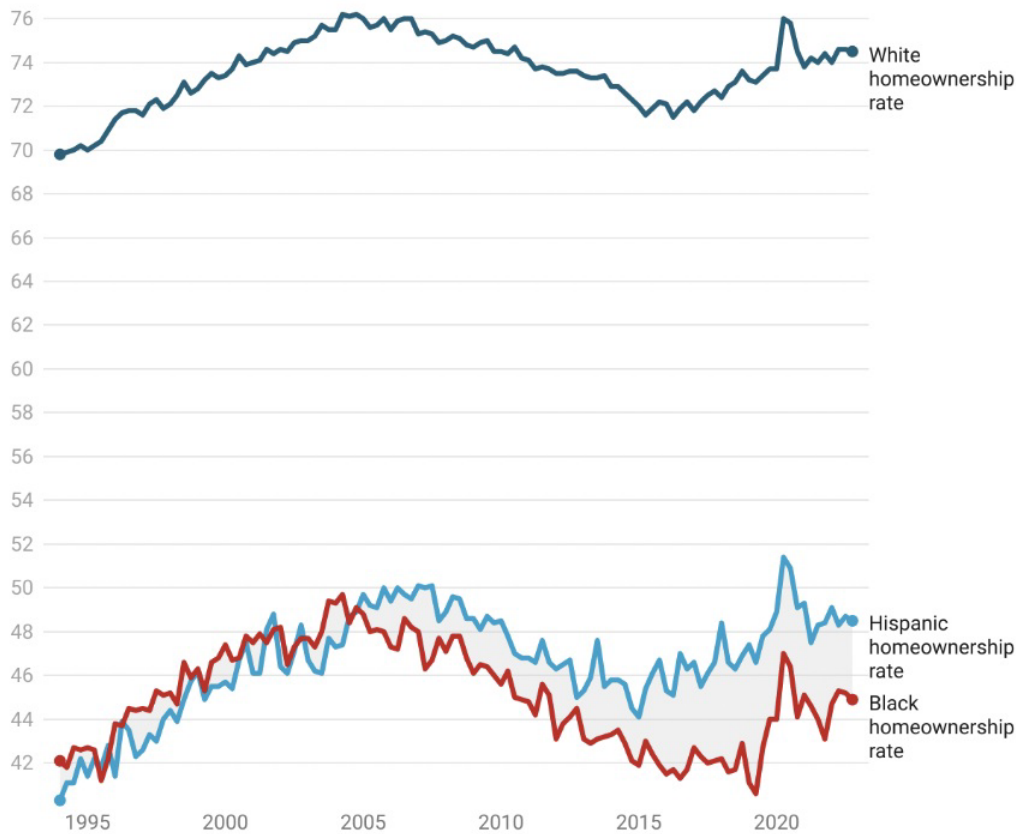
Middle neighborhoods often fit into this economic scenario of places with populations that do not have sufficient access to lending capital. For example, a common concern in middle neighborhoods is the need to update housing stock to meet the demands of current homebuyers. It is often the case that acquisition and improvements temporarily exceed appraised values in middle neighborhoods, making conventional lending a poor fit. Also, small businesses may need micro loans or loans that do not rely on collateral. Partnerships with CDFIs – or becoming a CDFI yourself – can be a way to address needs like these.

Most communities fall within the service area of a local or regional CDFI. To find a CDFI that serves your area, [check here](#). Meanwhile, here is some background information on CDFIs, and tips on how to partner with them.

[READ THE CASE STUDY](#)

Demographics are a Driving Factor of Homeownership

The White homeownership rate is nearly double the Black homeownership rate



January 1994 - October 2022

Chart: Jeremy Ney @AMERICANINEQUALITY • Source: Federal Reserve • Created with Datawrapper

American Inequality's Jeremy Ney posted a blog recently, titled **Why Owning a Home in America is So Hard**. He reports that In January 2000, the Black-White homeownership gap was at its narrowest level, but by October 2021 it had grown to the widest it had been in 30 years. 43.1% of Black Americans owned their home compared to 74.4% of white Americans who owned their homes.

This homeownership gap undermines the stability of middle neighborhoods, which historically benefited from high homeownership rates and the stable networks of neighbors those rates helped create. Programs to create and support homeowners generally, and to close the gap for Black and Latinx households specifically, are a cornerstone of middle neighborhood strategy.

Disaggregating homeownership rates for different demographic groups can help practitioners see the evidence of racially biased policy in order to customize programs that have a better chance of addressing all of the challenges faced by minority homebuyers.

Mt. Airy CDC Hosts Sold-Out APA Mobile Workshop on Middle Neighborhoods



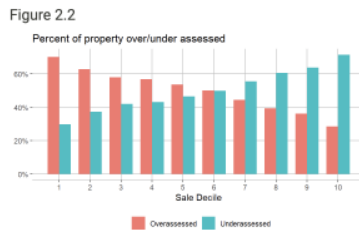
Mt. Airy CDC's Executive Director **Phil Dawson** and his team hosted a sold-out mobile

workshop for the American Planning Association's National Conference. The workshop was titled *Stuck in the Middle (Neighborhood) With You: Philly*, and focused on the unique characteristics of Black middle neighborhoods. NCST's **Racquel Reddie** and Middle Neighborhoods Steering Committee Chair **Lori Schwarz**, AICP helped organize the event and attended.

The APA counts 40,000 planning professionals among its members, from every state and 90 countries.

Upcoming Webinar Topics

Let us know if you have a story to tell on one of these topics! Dates and times TBA



Researching the Investor Population in Your Middle Neighborhood

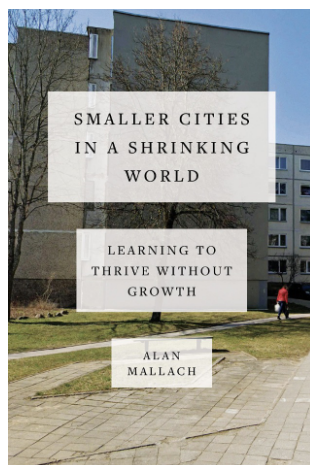
Neighborhood strategy expert **Alys Mann** will share her techniques for collecting, analyzing and interpreting data about the investors who own property in neighborhoods. Her recent looks at neighborhoods in Indianapolis and Orlando revealed startling numbers: for example, in one Indianapolis middle neighborhood, 23% of the single-family housing stock is owned by out-of-state investors.

Unveiling and Addressing Property Tax Inequities

University of Chicago Professor **Chris Berry** will join us to share his research on under- and over-tax assessments and the financial burden on lower-income households that results from this common practice. He'll demonstrate his publicly available mapping tool that anyone can use to begin examining the tax assessment picture in their neighborhoods. We will also hear from practitioners who are using data like this to make changes in local policy resulting in more equitable taxes.

Supporting DIY Home Improvement for Best Results

The Remodeling Futures Program at Harvard's Joint Center for Housing Studies recently reported that DIY home improvement spending jumped in 2021. In this webinar we'll be joined by practitioners who are delivering support to DIYers that encourages, trains and supports their projects. Updating housing stock in middle neighborhoods is a common strategy and DIY can be part of it - learn about best practices, funding sources and more.



The Implications of Shrinking Cities for Middle Neighborhoods

Author and Senior Fellow at the Center for Community Progress **Alan Mallach** will join us to talk about his new book, [Smaller Cities in a](#)



Retrofitting Middle Neighborhood Housing Stock for Energy Efficiency and Climate Resiliency

Energy efficiency improvements have become a top remodeling priority for homeowners, according

[Shrinking World: Learning to Thrive Without Growth](#). Mallach's book examines how declining population and economic growth will affect the world's cities over the coming decades. Mallach is also an expert on middle neighborhoods, and we'll get to hear how he thinks they will fare in the future. *A special discount code from the publisher of Mallach's book will be shared with all attendees!*

to the Joint Center for Housing Studies' new report [Improving America's Housing 2023](#). Meanwhile, the increasing availability of new technologies and a growing sense of urgency about climate change are ushering in new policy and programs to encourage and assist homeowners.

Eric Hagen, CEO of iSquared Community Development, and Senior Research Fellow and Faculty at New Hampshire University, will outline the new landscape of technical and financial assistance in this area. Local practitioners will describe how they are implementing and financing programs.

Other News + Resources

Former Philadelphia Councilperson Cherelle Parker Wins Democratic Nomination for Philadelphia Mayor

During her time at City Council, Cherelle Parker represented a district made up of many middle neighborhoods in Philadelphia, and was an early and ongoing supporter of the National Middle Neighborhoods Initiative. Parker has generously lent her voice and expertise to the Middle Neighborhoods Community of Practice, and a recent **New York Times article** about her win cites her policy proposals as rooted in her work with middle neighborhoods. Parker ran in a crowded primary field and won "decisively", according to the Times. If she wins the general election in November, she will be the first woman to lead the city. Congratulations, Candidate Parker!

[In Memphis, Hopes And Challenges Of Black Middle Class Collide](#), Noah Robertson, Christian Science Monitor, March 6, 2023.

[The Fight For Detroit's Disappearing Black Middle Class](#), Sherri Welch, Crain's Detroit Business, March 27, 2023.

[Cherelle Parker is proud of her West Oak Lane roots. As mayor, could she save Philly's 'middle neighborhoods'?](#), Sean Collins Walsh, The Philadelphia Inquirer, April 5, 2023.

[Summit Confronts Middle Class Housing Affordability In Tri-Cities](#), Jeff Keeling, WJHL.com, April 13, 2023.

Community Engagement Chats



Engagement Chat Recap: Supporting Environmental Resiliency in Middle Neighborhoods

Building eco-friendly initiatives into community engagement plans not only has positive environmental impacts but helps household budgets too. During our April 19 Engagement Chat, our topic of conversation was strategies to support environmental resiliency in middle neighborhoods and below are some tips and takeaways, plus excellent resources!

Strategy #1: Tap into Existing Programs. Many communities have local organizations that already have repair or rehabilitation programs in place, which directly or indirectly support energy efficiency. This is an easy first place to start! Research programs that already exist and start an informational campaign to share details with residents. Common initiatives include:

- Energy efficient window replacements
- 'New Doors' initiative to keep out the cold
- Installation of low-flow toilets
- Adding insulation
- Light bulb giveaways
- Rainwater collection initiatives and landscaping approaches that are drought resistant
- Winterization giveaways such as weather stripping or window coverings

Strategy #2: Going Solar, Together. Collaborative solar initiatives can be quite beneficial, even though they may seem dubious to potential participants. Solar cooperatives and bulk procurement options exist, and larger groups can often negotiate better values for installation and warranty. To get community members on board, focus on the energy savings and health benefits. Some neighborhood associations are supporting the effort further by rounding up matching grants for participating households.

Strategy #3: Host a Community Cleanup. We didn't have time to dig deep but heard from one organization in Louisiana that is targeting cemetery cleanups, which beautifies

the space *and* provides a great local history lesson. We will spend time on this topic during our next chat!

Other Ideas and Resources

Gathering Energy Data

<https://www.equitymap.org>

The GEM platform (Greenlink Equity Map) helps community development practitioners, policy makers, and program designers discuss energy burdens and build a shared vocabulary around environmental indicators. It also helps to build strategies and develop policies that reduce emissions and create a cleaner environment.

Building Pollinator Gardens

<https://www.fws.gov/story/how-build-pollinator-garden>

Pollinator gardens help beautify a neighborhood and serve a larger purpose by supporting sustainability and agriculture.

Creating Nature Based Solutions

Planting trees after disaster: <https://www.retreet.org/>

Building Communities Resilient to Climate Impacts: <https://www.usdn.org/resilience-hubs.html>

Tree planting is an environmental asset that helps offset carbon emissions but can also help reduce energy consumption by providing shade and decreasing cooling expenses. Building a tree canopy takes time and can be a hard sell to homeowners since trees require ongoing maintenance and can be problematic to roofs and other components of the property. Still, tree planting is a worthy initiative. Find planting and maintenance tools that can help residents feel more comfortable with intentional planting.

Example Cooperative Solar Initiative

[Cleveland Low to Moderate Income Solar Program – Solar United Neighbors](#)

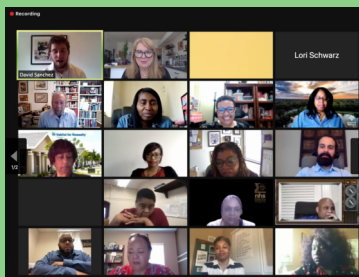
This collaborative project in Cleveland, OH helps lower income households install rooftop solar panels at no cost to the homeowner, which makes solar affordable, improves energy efficiency, and saves the homeowner money in utility costs.

Next Engagement Chat:

Building Relationships and Neighborhood Storytelling through Community Cleanups

When: Wednesday, July 19, 2023 -- Noon Eastern time

Zoom: <https://us06web.zoom.us/j/81727208043>



Recent Webinar Recordings

New Research Produces Peer Mapping Tool and Reveals Greatest Threats to Middle Neighborhoods

[Watch Now](#)

How Partnering with a CDFI Can Get More Loan Capital Into Your Middle Neighborhood

[Watch Now](#)

Is it Time for Permanently Affordable Housing Strategies in Middle Neighborhoods?

[Watch Now](#)
[Download the Resource List](#)

New Data and New Ways of Thinking About Maintaining the Housing Stock in Middle Neighborhoods
[Watch Now](#)

Holiday Celebrations: Effective (and fund!) ideas for Community Engagement
[Watch Now](#)

Strategies to Address Institutional Investors in Middle Neighborhoods
[Watch Now](#)

Equitable Place-centered Strategies for Safer Communities
[Watch Now](#)

Centering Black Prosperity in the Revitalization of Black Middle Neighborhoods
[Watch Now](#)

Find all recordings of the Middle Neighborhoods' webinar series [HERE](#)

Webinars are co-sponsored by the [Middle Neighborhoods Community of Practice](#), the [National Community Stabilization Trust](#), and [NeighborWorks America](#).

CoP Action Items

Custom Webinars: We often get requests for custom webinars on middle neighborhoods, which we gladly deliver! Please let us know if you'd like one for your staff, board, network, or community.

CoP Listserv: Don't forget to use our listserv, MiddleNeighborhoodsCoP@googlegroups.com to share announcements, news articles, questions and the like. If you are in the CoP, you are already a member of the listserv. If you are not a CoP member, but would like to join the listserv, email us.

Actions You Can Take to Grow and Support the CoP

1. Join and participate in the listserv, MiddleNeighborhoodsCoP@googlegroups.com. This is the most direct way for CoP members to interact with each other. Share your questions and successes.
2. Submit an article, news item, or resource idea for the newsletter to [Marcia](#).
3. Host a Middle Neighborhoods 101 webinar for people in your organization or community to help them learn about middle neighborhoods and launch a discussion on local opportunities. [We](#) will help you plan this and deliver the webinar with you.
4. Submit an idea for a webinar or case study topic to [Ann](#).
5. Convene with other CoP members in your region to discuss a particular issue, or to start creating a regional action agenda. [Marcia](#) can help you contact your peers and plan your convening.
6. We can also help you convene a group of CoP members by interest rather than geography. Past convenings have included city government representatives.
7. Represent middle neighborhoods in local policy discussions. [We'll](#) share some talking points.

8. Propose and conduct a session on middle neighborhoods for conferences and other convenings or groups you participate in. We'll help with the proposal, recruiting panelists, planning, etc.

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