All Maxine Goodman Levin School of Urban Affairs Publications

Maxine Goodman Levin School of Urban Affairs

5-24-2023

Investing in the Middle

Molly Schnoke
Cleveland State University, m.s.schnoke@csuohio.edu

Jack Yochum
Cleveland State University, j.yochum@csuohio.edu

Shannon Driscoll
Cleveland State University, m.s.driscoll@csuohio.edu

James Flanigan

Investing in the Middle

THE CENTER FOR ECONOMIC DEVELOPMENT
AT CLEVELAND STATE UNIVERSITY

Acknowledgements

The **Center for Economic Development** in the Levin College of Public Affairs and Education at Cleveland State University conducts applied research and provides technical assistance as a think-tank for regional economic development. The Center's areas of expertise include industrial analysis, performance of economic clusters, equity and inclusion, innovation, entrepreneurship, economic impact, and program evaluation. The Center's researchers apply academic rigor to data-driven analyses and have a well-earned reputation for conducting unbiased, sound, and policy-relevant studies.

Cleveland Neighborhood Progress is a local community development intermediary with more than thirty years of experience investing in community revitalization work in Greater Cleveland. Neighborhood Progress was founded in 1988 and serves a unique function as it is the only local intermediary in the region. CNP is proud to be nationally highlighted as a leader for engaging in best practices in various facets of nonprofit programming.

Contents

Executive Summary

Introduction

Middle Neighborhoods (MNs) are generally recognized for their safety, stability and affordability for residents. They also provide an important opportunity to give lower-income populations access to affordable housing and an overall higher quality of life, but the number of MNs is declining throughout the U.S. Recognizing these opportunities and challenges regarding MNs, the research team set out to fill in the existing knowledge gaps about which public policies and programmatic activities are effective at 1) stabilizing MNs and 2) providing equitable access for lower-income and marginalized populations to join and stay in MNs.

A literature review revealed that there are not clear, consistent characteristics used to describe MNs and that they are not a nationally defined neighborhood type. A common way to define a Middle Neighborhood is by median household income, but this is only one dimension to consider. This report includes additional factors describing wealth, occupation, race, ethnicity, culture, and others. A strong class of middle-income households accompanied by low- and high-income groups is a quintessential feature of a healthy middle neighborhood.

The neighborhood typology developed in this research study was intended to identify middle neighborhoods as a distinct neighborhood type. The factor analysis did not reveal any standalone middle neighborhood type. Because middle neighborhoods did not emerge directly from the typology, it became apparent that middle neighborhoods are more complex and complicated than researchers initially thought. This makes identifying them even more important if practitioners and policymakers intend to address the potential of these neighborhoods.

This research furthers the work in identifying and defining middle neighborhoods by: 1) incorporating people- and place-based dimensions of neighborhoods beyond middle income and 2) expanding the geographical focus on middle neighborhoods outside of the traditional northeast and legacy city places. However, the creation of the typology was an exploratory effort, and further analysis and research that examines neighborhood change over time and incorporates regional and local dynamics should be conducted.

Six regional case studies examined in this report help to illustrate the diverse forms middle neighborhoods can take, common challenges and concerns they face, and the efforts being made to preserve and develop them. The six cities selected were Cleveland, Ohio; Chicago, Illinois; South Milwaukee, Wisconsin; Charlotte, North Carolina; Plano, Texas; and Lakewood, Colorado.

These case studies provide important information related to: 1) validation of the geographic delineation of using a census tract to categorize a neighborhood; 2) identification of essential information on the policy process in these areas; and 3) discovery of the best practices of each MN.

Trends
- Inflation in real estate and tightening rental markets are national trends since the start of the pandemic. These are mirrored in most of the case studies.
- While some neighborhoods that had very low housing acquisition costs before the pandemic rose but remain relatively affordable, other neighborhoods have seen homes in middle neighborhoods (or previously middle) skyrocket in price and become unattainable for many.
- Most of the case study middle neighborhoods are experiencing population growth, but many are struggling to keep the cost of living affordable.
- However, there are exceptions, with some neighborhoods—particularly those in the Midwest—staving off decline.

Targeted policy is needed to maintain these areas. There are many policy options to strengthen these neighborhoods, many of which have proven effective in various neighborhoods around the country. While financial capital is necessary, the importance of social capital for preserving middle neighborhoods must also be included. Ultimately, the best policy solutions are as diverse as middle neighborhoods themselves.

Introduction

For decades community development policies have focused on two types of neighborhoods: low-income communities where direct interventions aim to support homeownership and reduce poverty and trending communities where policies to create and retain affordable housing work to reduce displacement from gentrification. Despite progress, it remains that low-income households are not able to access quality and safe housing in a meaningful quantity. National researchers have begun to uncover the potential for healthy outcomes in low and moderate households when investment focused on middle-income neighborhoods. Early research suggests Middle Neighborhoods (MNs) are opportunity-rich with place-based resources, and policy innovations at the city level hold the potential to increase housing affordability and stability. However, there is still an existing gap of knowledge on what public policies and programmatic activities are effective in stabilization of the middle neighborhoods and for equitable access to opportunities for residents, especially low-income people and minorities. The proposed research intends to address this gap.

In 2018, the City of Cleveland and the Cleveland Foundation funded the Middle Neighborhoods Initiative to leverage national research and build a strategy for supporting communities on the edge of distress. Middle neighborhoods (MN) have historically been stable. They offer naturally occurring affordable housing, community spaces, employment and entrepreneurial opportunities, and recreation outlets that positively shape health and well-being.

Further, middle neighborhoods are ubiquitous. They can be found in cities of varying sizes, economic conditions and geographic locations such as Detroit and Baltimore, Des Moines and Dallas, as well as in small towns in Western Massachusetts, and the cities of the Lehigh Valley. By targeting middle neighborhoods with tools that respond to their unique challenges in tandem with development strategies to create accessible housing for low- and moderate-income households, we believe that cities can produce equitable mixed-income communities.

The research team seeks to understand how middle neighborhood strategies can be used to remedy neighborhood inequity which has arisen through decades of disinvestment and segregation. For too long cities have failed to take direct action to protect these neighborhoods. Though middle neighborhoods can be quite diverse, many are predominantly home to African Americans, tend to house low to moderate-income residents, and are places that were once in proximity to good-paying jobs that historically housed working-class and middle-class families. This project will identify policies and strategies that communities across the country can employ, whether they are part of the Middle Neighborhoods Initiative network or not. Such policies can further equitable outcomes, prevent gentrification, and enhance wealth creation.

Methodology

The methodology of this study was broken up into phases. The initial phase involved a comprehensive literature review surrounding existing literature of middle neighborhoods, the middle class, and neighborhood definition and typologies. The results of this literature review fed into data collection for a typology of all neighborhoods nationwide. Once this typology was vetted past both the project team and practitioner feedback group, candidate neighborhoods would be identified nationwide for case studies.

Literature Review

Understanding Middle Neighborhoods

Simply put, middle neighborhoods (MNs) are described as where middle-class populations mostly preside.[1] MNs are best known for the safety, stability, and affordability that they provide residents, though an exact definition has yet to be achieved.[2] Due to their stability, MNs have historically been politically invisible; cities have focused more heavily towards triaging impoverished neighborhoods or celebrating affluent ones. MNs have only recently received attention from academic and practitioner literature, with conversations centering around this political invisibility.

Discussing working definitions of middle neighborhoods is a necessary first step before considering trajectories and typologies. The definition of the middle class is incredibly contentious, especially concerning how the class is defined using data. Median household income is most widely used to designate class status according to most relevant literature on middle neighborhoods, primarily focusing on households earning 80%-120% of the area median household income.[3][4] Traditional measures of the middle class solely rely on classifying individuals by income, though there is increasing reliance on credit and the cultural dimensions of class. Atkinson and Brandolini expand the income-based definition to include wealth and occupation as integral indicators to form an accurate and modern definition of middle class.[5] The authors argue that fixed income bands are less reliable when measuring class due to the dependency on assets and access to credit to achieve stabilization and upward mobility. This discussion arrives at a fascinating crossroads, as the well-documented trend of the shrinking middle class due to economic polarization has become a major talking point.[6] According to the Organization for

---

[1] Mallach, A. (2018). America's Middle Neighborhoods: Setting the Stage for Revival. 52

[2] About – Middle Neighborhoods. (n.d.). Retrieved March 5, 2021

[3] For example, Area Median Household Income for 2019 in Ohio was $70,900 according to the Federal Income Limits Documentation System for FY 2019. By to this definition, Ohio's middle-class households would earn $56,720 to $85,080

[4] See Greenblatt, A. (2018, June). The Importance and Neglect of America's Middle Neighborhoods. Mallach, A. (2018). America's Middle Neighborhoods: Setting the Stage for Revival. 52; Webber, H. S. (2016). Local Public Policy and Middle Neighborhoods. Community Development Investment Review, 12, and others

[5] Atkinson, A., & Brandolini, A. (2010). On the Identification of the Middle Class.

[6] See Kurer, T., & Palier, B. (2019). Shrinking and shouting: The political revolt of the declining middle in times of employment polarization. Research & Politics, 6(1), 2053168019831164 and Pew Research Center. (2015, December 9). The American Middle Class Is Losing Ground. Pew Research Center's Social & Demographic Trends Project.

Economic Co-operation and Development (OECD), the middle class has gone from 64% to 61% of the population of its member countries between the 1980s and 2010s.[7] This trend has been substantially exacerbated by the COVID-19 pandemic, which has halted growth in developing regions while worsening the decline of the middle class in advanced economies.[8] *The New York Times* articles argue that households making $200,000 to $400,000 annually still faced many of the plights of the middle class, pushing this discussion into the popular press.[9] Schwabish critically evaluated these claims to show how indicators outside of income related to the upper-middle class. While he did not aim to minimize the insecurities of the wealthier families, he did note that families examined with incomes closer to the national median income achieved lower outcomes in total wealth, health insurance attainment, and homeownership, three key metrics associated with rising above the lower class.[10]

While median household income works as a definition for individual areas, the application of this range nationwide yields disparate results; a middle neighborhood in a legacy city such as Detroit would almost certainly register as an impoverished neighborhood in a more affluent city like New York.[11] The OECD definition differentiates these locations by designating middle income as 75%-200% of the national median income, though this may be criticized in expansive and inequitable countries like the United States.[12] Use of the Reinvestment Fund's Market Value Analysis, a tool which attempts to classify neighborhoods by market indicators including sales price, sales velocity, and foreclosure rate, yields another market-oriented view of middle neighborhoods that is more reliable as a point of comparison between regions.[13] Some practitioners have raised the issue that a more general measure, such as the middle three quantiles of the national income distribution, may offer a more wholistic picture,[14] while others argue that the middle class transcends annual income and should account for wealth, occupation, educational attainment, and even culture, though culture shows unreliability along racial and geographic lines.[15] Each of these measures can have a "middle"- middle income, middle market, middle occupation as it relates to education- and the remaining indicators which cannot be quantified constitute "neighborhood".

How to Define a Neighborhood

[7] OECD. (2019). Under Pressure: The Squeezed Middle Class. OECD.

[8] Kochhar, R. (2021, March 18). The Pandemic Stalls Growth in the Global Middle Class, Pushes Poverty Up Sharply. Pew Research Center's Global Attitudes Project.

[9] The New York Times. (2019, July 9). Can a Middle-Class Family Earn $200,000? Yes, Our Editor Explains. The New York Times; Winter, D., Kim, E. T., & Thottam, J. (2019, July 5). Opinion | What Middle-Class Families Want Politicians to Know. The New York Times.

[10] Schwabish, J. (2019, September 10). How We Define "Middle Class" Has Broad Implications. Urban Institute.

[11] Mallach, A. (2020). Over the edge: Trajectories of African-American middle neighborhoods in St. Louis since 2000. Journal of Urban Affairs, 42(7), 1063–1085.

[12] OECD. (2019). Under Pressure: The Squeezed Middle Class. OECD.

[13] Goldstein, I., Schrecker, W., & Rosch, J. (2016). Demographics and Characteristics of Middle Neighborhoods in Select Legacy Cities. Community Development Investment Review, 11, 29–53.

[14] Berube, A. (2018, September 28). Where does the American middle class live? Brookings.

[15] Reeves, R., Guyot, K., & Krause, E. (2018, May 7). Defining the middle class: Cash, credentials, or culture? Brookings.

Broadly, neighborhoods are best defined by people and place; Chaskin explains that a neighborhood is "a subunit of a larger area and is considered primarily, if not exclusively, residential."[16] Keating and Krumholz date the advent of neighborhood planning back to the development of neighborhood civic centers in the 1900s and 1910s, with the field fully coming into fruition by the 1960s.[17] Ecological perspectives on neighborhood and community development point to the processes of selection and optimized efficiency leading to a concentric model of cities and neighborhood creation. These neighborhoods have historically taken root in densely packed urban areas surrounding central community hubs, e.g., job centers, community centers, churches, and recreational amenities, which residents often define as vital main blocks of a neighborhood.[18]

Practitioners and researchers often use primarily residential census tracts as a proxy for neighborhood.[19] In order to better encompass the residential nature, some studies have adopted block groups as smaller units; however, data availability plays a significant role in using census tracts outside of survey-focused studies.[20]

Recently, suburbs have started to develop neighborhoods of their own.[21] The designation of neighborhoods as subunits historically lends itself well to metropolitan areas. Still, recent trends in migration and segregation argue that these subunits also exist in suburbs. Furthermore, impoverished populations have expanded from the concentrated hubs of distinctly rural and urban areas into the suburban middle, with the suburban poor growing 48% between 2000 and 2015.[22] America's first suburbs- those which developed around the first central cities with solidly defined trajectories and often aging housing stocks- have suffered the greatest from this trend.[23] The ensuing segregation has caused emergent neighborhoods in sprawled communities.[24]

Metrics of the Middle
Prime among the factors to consider in forming a typology of neighborhoods is the race, ethnicity, and age distributions of neighborhood inhabitants. Mallach expanded on the Area Median

[16] Chaskin, R. J. (1997). Perspectives on Neighborhood and Community: A Review of the Literature. Social Service Review, 71(4), 521–547.

[17] Keating, W., & Krumholz, N. (2000). Neighborhood Planning. Journal of Planning Education and Research, 20, 111–114.

[18] Chaskin, R. J. (1997). Perspectives on Neighborhood and Community: A Review of the Literature. Social Service Review, 71(4), 521–547.

[19] Weissbourd, R., Bodini, R., & He, M. (2009). Dynamic Neighborhoods: New Tools for Community and Economic Development. 206, among others

[20] Krieger, N., Waterman, P. D., Spasojevic, J., Li, W., Maduro, G., & Van Wye, G. (2016). Public Health Monitoring of Privilege and Deprivation With the Index of Concentration at the Extremes. American Journal of Public Health, 106(2),

[21] Puentes, R., & Warren, D. (2006). A Comprehensive Guide to America's First Suburbs. The Brookings Institution Survey Series, 24.

[22] Kneebone, E. (2017, February 15). The changing geography of US poverty. Brookings.

[23] Puentes, R., & Warren, D. (2006). A Comprehensive Guide to America's First Suburbs. The Brookings Institution Survey Series, 24.

[24] Lichter, D. T., Parisi, D., & Taquino, M. C. (2015). Toward a New Macro-Segregation? Decomposing Segregation within and between Metropolitan Cities and Suburbs. American Sociological Review, 80(4), 843–873.

Income (AMI)-based neighborhood classifications by deriving four middle neighborhood types: stable, declining, reviving, and immigrant destination, while providing key variable interactions such as homeownership, racial composition, and location within each type.[25] Webber offered a more concise set of stable, descending, and ascending trajectories, offering defining characteristics of each.[26] The Dynamic Neighborhood Trajectory (DNT) classified all neighborhoods into nine categories, ranging from The Truly Disadvantaged to The Fortune 100. The three center classifications- Port of Entry, Urban Tapestry, and Coming Attractions, as well as each subclass- align well with modern definitions of middle neighborhoods. Ports of Entry align with the lower-middle class characteristics synonymous with immigrant destinations, where non-native populations seek a stable residential area to root their families and social capital. Urban Tapestries are notable in that they are the least stable while being in the direct center of the taxonomy; they are places of diversity and transition, which may serve as indicators of the instability of these neighborhoods today. Coming Attractions are nascent neighborhoods primarily inhabited by young professionals, constituting a modern-day, upper-middle neighborhood. The DNT utilizes a wide range of indicators, including race and ethnicity, age composition, presence of anchor institutions, crime data, housing trajectory, and many others, to achieve this taxonomy, serving as a strong starting point for the indicators utilized in this study.[27] The Dynamic Neighborhood Taxonomy's linear nature is one aspect of middle neighborhoods worthy of consideration, though socioeconomic factors are rarely simple.

Many examples of middle neighborhoods could also be classified as mixed-income neighborhoods, commonly defined as neighborhoods where low-, middle-, and high-income households compose no less than 20% and no greater than 50% of the households. The trend of polarization has led to the usage of the Index of Concentrations at the Extremes (ICE), a measure that weights the population in the highest category of a distribution against that of the lowest, then divides that quantity by the total population of the geography. Sampson et al. utilize this metric for income distribution, wherein an ICE value of -1 would describe an entirely impoverished neighborhood, while an ICE measure of 1 would represent an entirely wealthy neighborhood. It follows that ICE values near 0 would describe neighborhoods with equal high- and low-income populations, where the two coexist or are not present altogether. The authors employed the Herfindahl-Hirschman Index to confirm that neighborhoods with ICE values near zero tended to have the most equitable income distribution.[28] A strong class of middle-income households accompanied by low- and high-income groups is a quintessential feature of a healthy middle neighborhood. A necessary component of mixed-income neighborhoods today is the presence of low-income housing projects often supported by federal programs such as the Low-

---

[25] Mallach, A. (2018). America's Middle Neighborhoods: Setting the Stage for Revival. 52.

[26] Webber, H. S. (2016). Local Public Policy and Middle Neighborhoods. Community Development Investment Review, 12.

[27] Weissbourd, R., Bodini, R., & He, M. (2009). Dynamic Neighborhoods: New Tools for Community and Economic Development. 206.

[28] Sampson, R. J., Mare, R. D., & Perkins, K. L. (2015). Achieving the Middle Ground in an Age of Concentrated Extremes: Mixed Middle-Income Neighborhoods and Emerging Adulthood. The Annals of the American Academy of Political and Social Science, 660(1), 156–174.

Income Housing Tax Credit and HOPE VI that help low-income families better establish themselves.[29]

The built environment plays a significant role in the stability of middle neighborhoods. These neighborhoods rely on a stable and diverse housing stock to attract and retain a variety of people. As mentioned prior, mixed-income neighborhoods represent a typical image of a middle neighborhood, making the availability of low-income housing a necessity. Ideally, a neighborhood's housing stock would align well with the jobs and amenities available, but that is not always the case. Spatial mismatch often occurs in metropolitan areas, neglecting the increase in low- and moderate-income positions that follow desirable high-income job creation (Benner & Karner, 2016). The high degree of diversity and central location of middle neighborhoods relative to job centers would require that a wide range of housing options be made available.

In addition to housing, publicly provided community features such as roads and utilities create a starting point for the future development of these neighborhoods. A prominent example of this is internet access, since connectivity has become a topic of increasing concern due to the COVID-19 pandemic. As more employers utilized a remote workforce, the aged infrastructure and lack of broadband access in middle neighborhoods presented barriers to workers in those areas. This situation is part of the digital divide, which precipitates decline in aged neighborhoods.[30]

Other Considerations
The physical and social characteristics of a neighborhood are deeply interwoven with the health of its residents. Walkability and ease of access to amenities like grocery stores and parks contribute positively to obesity, and social connectivity (i.e., the formation of tightly-knit communities) helps promote cleaner and safer environments for residents.[31] It has often been said that the ZIP code is as- if not more- important than your genetic code when it comes to physical and mental health. Recent literature has discussed the growing intersection of community development and public health, though authors note that there is room for discussion as studies conducted have been observational.[32] Usage of ICE when looking at health outcomes by region revealed that extremes of poverty, income, and race are closely related to infant mortality, premature deaths, and diabetes mortality rate.[33]

---

[29] Fraser, J. C., Chaskin, R. J., & Bazuin, J. T. (2013). Making Mixed-Income Neighborhoods Work for Low-Income Households. Cityscape: A Journal of Policy Development and Research, Volume 14(Number 2), 83–100 and Sampson, R. J., Mare, R. D., & Perkins, K. L. (2015). Achieving the Middle Ground in an Age of Concentrated Extremes: Mixed Middle-Income Neighborhoods and Emerging Adulthood. The Annals of the American Academy of Political and Social Science, 660(1), 156–174.

[30] Gallardo, R., Beaulieu, B., & Kumar, I. (2021). Indiana: 2019 State of Digital Inclusion. Purdue Center for Regional Development.

[31] Braveman, P., Cubbin, C., Egerter, S., & Pedregon, V. (2011, May 1). Neighborhoods and Health. RWJF.

[32] Diez Roux, A. V. (2016). Neighborhoods and Health: What Do We Know? What Should We Do? American Journal of Public Health, 106(3), 430–431.

[33] Krieger, N., Waterman, P. D., Spasojevic, J., Li, W., Maduro, G., & Van Wye, G. (2016). Public Health Monitoring of Privilege and Deprivation With the Index of Concentration at the Extremes. American Journal of Public Health, 106(2), 256–263.

The recent history of neighborhood divestment is primarily felt by marginalized populations with the persistence of de facto and de jure neighborhood segregation. Much of the literature surrounding middle neighborhoods discusses the challenges faced by minority-occupied middle neighborhoods, with a special focus on how these populations were impacted by The Second Great Depression of 2008 and the ensuing housing crisis. The St. Louis metropolitan area provides an example of these issues. Due to the influx of educated millennials to the area through the early 21st century, growth in high-paying sectors has given the city a positive trajectory. A closer look at individual neighborhoods, however, shows that this growth has not been felt evenly across all demographics. The share of black neighborhoods considered middle neighborhoods using the 80%-120% designation has dropped, with most tracts meeting that range clustered together in a predominantly white part of the city This is one example of a common trend in neighborhood change for middle neighborhoods, where white homeowners are almost entirely replaced by black homeowners through the 1980s, only to have indicators of distress compounded when the housing crisis devastated the area.[34] Moreover, rental properties have become a much larger portion of black middle neighborhoods, which deteriorates equity in the community[35]. The COVID-19 pandemic has exposed the vulnerabilities of these neighborhoods as Black and Hispanic populations are significantly more likely to have fallen behind on rent or experienced transient residency due to the duress of the pandemic. Other families were forced to rely on savings, retirement, or credit cards for payment, which threatens long-term economic health of these neighborhoods[36]. Minority-occupied middle neighborhoods sit at a precarious position as the dream of achieving stability becomes unattainable for many as a result of the disparate impacts of these crises.

In existing literature, middle neighborhoods are not tightly defined. Viewed broadly, middle neighborhoods are places that are neither healthy nor thriving but are also not entirely distressed. They are most frequently defined as places where middle-income people live. A review of the literature suggests that middle neighborhoods are more complex than existing typologies indicate. For example, homeownership, employment, and racial composition all contribute to the character and composition of middle neighborhoods. This research will show that middle neighborhoods exist in both core cities and suburbs, in communities that span the country, however they are not very well understood.

The Practitioner Feedback Group

A unique aspect of this methodology is the practitioner feedback loop that was established at the beginning of the project. Using our community partner, the research team engaged Cleveland Neighborhood Progress (CNP) to convene a practitioner feedback group on

---

[34] Mallach, A. (2020). Over the edge: Trajectories of African-American middle neighborhoods in St. Louis since 2000. Journal of Urban Affairs, 42(7), 1063–1085.
[35] Mallach, A. (2021). Making the Comeback: Reversing the Downward Trajectory of African American Middle Neighborhoods in Legacy Cities. LILP.
[36] Lake, J. (2020, October 30). The Pandemic Has Exacerbated Housing Instability for Renters of Color. Center for American Progress and Lloyd, C. M., Shaw, S., Alvira-Hammond, M., Hazelwood, A. M., & DeMand, A. (2021, March 18). Racism and Discrimination Contribute to Housing Instability for Black Families During the Pandemic. Child Trends.

the MNs research. These individuals are experts in community development, economic development, housing, creating equitable communities, and health, among others. This working group met with the research team to provide real-time feedback on the applicability of this research for neighborhood practitioners as well as guide the research team on the most critical issues facing MNs. Cleveland State University, the City of Cleveland, and CNP convened quarterly stakeholder meetings. A full list of practitioners is available in Appendix _.

Data Collection

Given that middle neighborhoods were not tightly defined, the research team cast a wide net in identifying variables that could inform both people- and place-based neighborhood characteristics. The research team collected 108 indicators across the census tract and county levels per our findings from the literature review. At a high level, these indicators capture each neighborhood's demographic, economic, housing, health, and infrastructure characteristics. Table 1 shows the data sources used for this project.

Table 1: Data Source Details

Data Source	Years	Link
Census American Community Survey (ACS)	2005-2009, 2010, and 2015-2019	https://data.census.gov/cedsci/
IPUMS NHGIS	2005-2009 and 2015-2019	https://data2.nhgis.org/main
HUD Low Income Housing Tax Credit	Up to 2019	https://lihtc.huduser.gov/
FHA Fanny May and Freddy Mac Single-Family Mortgage Database	2019	https://www.fhfa.gov/DataTools/Downloads/Pages/Public-Use-Databases.aspx
CDC Wonder	2015, 2017-2019, and 2009-2019	https://wonder.cdc.gov/WelcomeT.html
County Health Rankings	2015-2019	https://www.countyhealthrankings.org/explore-health-rankings
Homeland Infrastructure Foundation-Level Data (HIFLD)	Constantly Updated (2019-2021)	https://hifld-geoplatform.opendata.arcgis.com/
Institute of Museum and Library Services	2019	https://www.imls.gov/research-tools/data-collection
Bureau of Transportation Statistics	2019	https://data.bts.gov/
National Center for Education Statistics	2019	https://nces.ed.gov/datatools/

Due to the restrictions on geography and nationwide availability, the majority of data collected for this analysis came from American Community Survey (ACS) 5-Year Estimates. Indicators such as the median household income and median housing value were captured as foundational

variables for defining middle neighborhoods per the conventional definitions of the middle class. These, alongside the tract-income ratio- the ratio of a tract's median income with the surrounding metropolitan or micropolitan's- were the indicators the research team identified as being most important moving into the analysis.

Some indicators were cross-sectioned with race and age demographics to help unearth unique trends happening across neighborhoods. An example of this was black homeownership and mortgage applications, which the research team thought would differentiate the concept of black middle neighborhoods. The research team paid similar attention to Hispanic and Asian homeownership and mortgages.

Health data is scarcely available in smaller geographies due to the risks of giving identifying information. To address this, county- and state-level data were imputed when necessary. Core health indicators included lifespan, the crude deaths of despair rate, and the obesity rate.

A full list of variables collected is available in the Appendix.

Factor Analysis

The research team employed a quantitative factor analysis for this study. Factor analysis measures how indicators interact, and to what degree these interactions explain the variation in what is being observed. The output of this analysis is factors, or groupings of variables, that describe phenomena happening within the data.

Figure 1: SPSS Scree Plot Output of the Analysis
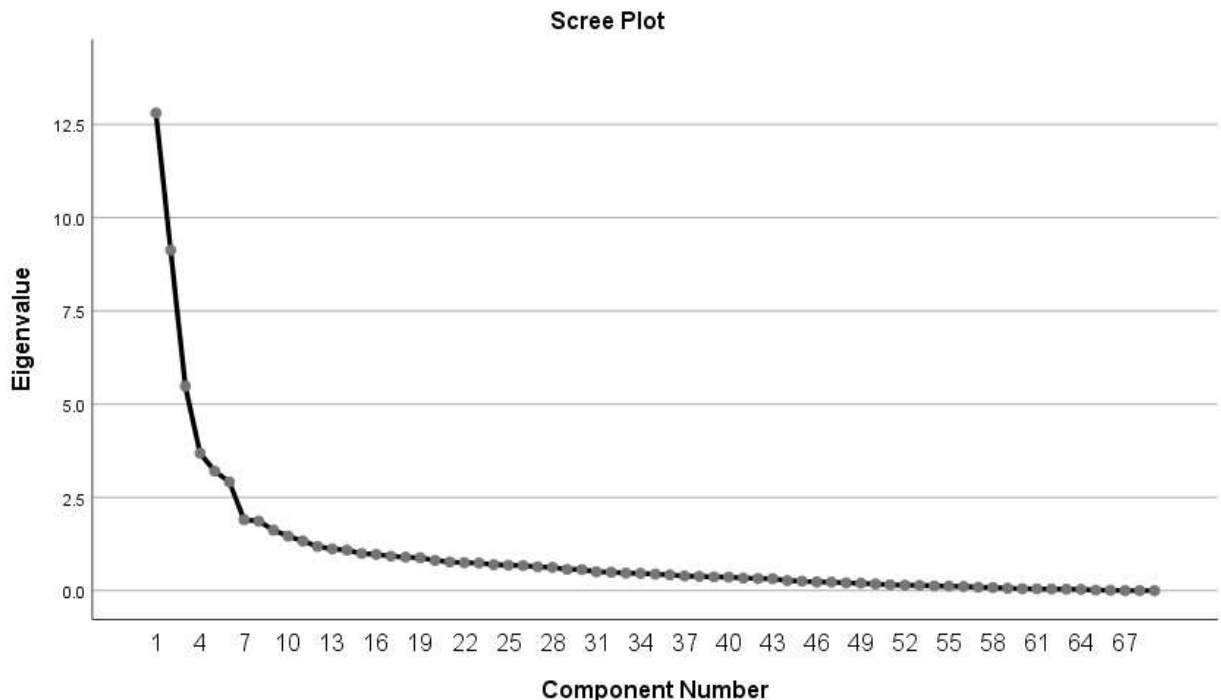
The above Scree Plot illustrates how factors are discerned, with each point representing a grouping of correlated variables. A natural break was identified within these results, which helped the research team arrive at a final set of six factors that explained 57% of the variation within the data.

Table 2. Percent of Variance Explained by Each Factor

Factor	1	2	3	4	5	6
% Variance Explained:	19.63%	13.98%	8.40%	5.64%	4.90%	4.43%

The factor analysis output assigns values to each indicator for each variable. These values range from -1 to 1 and represent how correlated that indicator is within that factor. When describing each factor, the research team examined results-based magnitude and direction because a low correlation value with an indicator is as important as a high correlation value. This analysis compares values with the national average, therefore understanding what a neighborhood lacks is often as descriptive as what it exceeds in. Indicator correlation absolute values greater than or equal to .30 are considered descriptive for a factor. Data descriptions of each factor with example neighborhoods are shown in Table 3, with the full correlation tables located in the Appendix.

Table 3: Neighborhood Typology Key Components

Factor	% of Tracts	Key Components	Examples
Affluent Neighborhoods (Factor 1)	6.94%	Most important component is **high median household income.** supporting variables include: • High median housing value, and • High tract income ratio • Healthier than average more • High percentage Asian and becoming more Asian • Highly educated and becoming more educated	Concentrations of high paying jobs with high cost of living such as Santa Clara, CA; Boston, MA; and Manhattan, NY
General Residential (Factor 2)	5.58%	Most important component is **high homeownership rates**, which is true across all races. Supporting variables include: • High percentage of single unit housing • Housing is affordable relative to median household income • High percentage of population aged 35-64 (middle aged)	Outer suburbs of major cities like Tampa, FL; Atlanta, GA; Washington D.C.
Hispanic Residential (Factor 3)	7.96%	Most important component is **high percent Hispanic population**. Supporting variables include: • High percent foreign born population • High poverty rate • Low health insurance attainment • High death of despair rate	Southern border cities like Nuevo Laredo, TX; part of Los Angeles, CA; and Brighton, a neighborhood of Chicago, IL.
Black Residential (Factor 4)	7.41%	Most important component **is high percent black population**. Supporting variables include: • High percent of households lead by a single mother • High unemployment.	Concentrated neighborhoods within metropolitan hubs such as New Orleans, LA; Detroit, MI; and Cleveland, OH
Starter Homes (Factor 5)	6.34%	Most important component is **high labor force participation rate**. Supporting variables include: • High percentage of population aged 19-34 • High amounts of first-time homebuyers	Residential parts of metropolitan hubs such as Lakewood in Cleveland, OH; Broad Ripple in Indianapolis, IN; and Oklahoma City, Oklahoma
New Residential Centers (Factor 6)	7.79%	Most important component **is high amounts of recent development (since 1970)**. Supporting variables include: • High population • High number of units • High number of loans	Two types: new and sprawling metropolitan centers such as Dallas, TX, and southern Jacksonville, FL; and downtown hubs receiving new development such as Salt Lake City, UT and Chicago, IL.

Each census tract was assigned z-scored values for each of the six factors, which each represent a dimension or axis of the neighborhood. For a neighborhood to be described with a factor, it must have a factor value greater than or equal to 1.0. This method describes 59% of tracts. Neighborhood type is not limited to a single factor; 18% of tracts are categorized by two factors and 3% by three factors. Oftentimes these tracts are described with a factor that represents race demographics in addition to one of the economic or housing factors, though some urban mixed-race neighborhoods also exist. Because of the variety of neighborhood dynamics that play out nationwide, the distribution of neighborhoods defined by each factor also differs by region. Table _ provides and overview of this distribution.

Table 4: Distribution of Neighborhood Type by Census Region

Neighborhood Type	Northeast		Midwest		South		West	
	#	%	#	%	#	%	#	%
Affluent Neighborhoods (1)	**1,695**	**11.55%**	98	0.66%	240	1.10%	**2,553**	**16.74%**
General Residential (2)	1,161	7.91%	1,100	7.37%	951	4.36%	443	2.90%
Hispanic Residential (3)	489	3.33%	359	2.40%	1,858	8.52%	**2,607**	**17.09%**
Black Residential (4)	**1,207**	**8.22%**	**1,521**	**10.19%**	**2,251**	**10.32%**	84	0.55%
Starter Homes (5)	1,059	7.22%	**2,101**	**14.07%**	712	3.26%	277	1.82%
New Residential Centers (6)	221	1.51%	708	4.74%	**2,887**	**13.23%**	1,427	9.35%

The examination of neighborhood typology was intended to identify middle neighborhoods as a distinct neighborhood type. Multiple runs of factor analysis did not reveal any standalone middle neighborhood factor. This included rerunning the analysis for neighborhoods that fell into middle income bands[37]. This too did not reveal middle neighborhoods as a standalone type; it instead reinforced the six factor types the research team initially arrived at.

Because middle neighborhoods did not emerge directly from the typology, it was necessary to implement a validation strategy. This was conducted through informal conversations and interviews with community development practitioners from a range of communities across the country.

While facets of middle neighborhoods are prominent within factors- high homeownership in Factor 2 and high labor force participation rate in Factor 5, for example- no single factor encompassed all of "middle" as was concluded from the literature review. In order to understand these results, the research team engaged in two forms of validation: looking at existing tracts identified as middle neighborhoods to understand how they fall into the neighborhood typology

---

[37] These included groupings of census tracts with median household incomes of 60%-80%, 80%-100%, and 100%-120% compared with their surrounding metropolitan or micropolitan median household incomes

and speaking with practitioners in these neighborhoods. The research team obtained example census tracts from members of the National Middle Neighborhood Community of Practice from Baltimore, Maryland; Philadelphia, Pennsylvania; Des Moines, Iowa; and Plano, Texas. These census tracts were designated as middle neighborhoods through self-identification, and the research team hoped to find common threads through their factor scores. When evaluating them, however, the research team discovered wide disparities between what is designated as "middle" through these cities, and these neighborhoods' factor types varied as a result.

Leveraging connections from the Community of Practice, the research team organized informal discussions with a host of practitioners across different geographies as the next validation step. The team hypothesized that other cities would have distinct patterns, or neighborhood mosaics as they came to be called, that practitioners would be able to recognize. Longstanding recognition in Cleveland and Cuyahoga County is that there are communities in the eastern portion of the region that should show up on any map of socioeconomic indicators resembling a crescent "C." This c-shape illustrates the scars of redlining on the east side of Cleveland; similarly, a butterfly shape is recognizable in Baltimore as figure 2 displays with census tracts highlighted in yellow fanning out on both sides of the city.

Figure 2 : Typology Map of Baltimore, Maryland
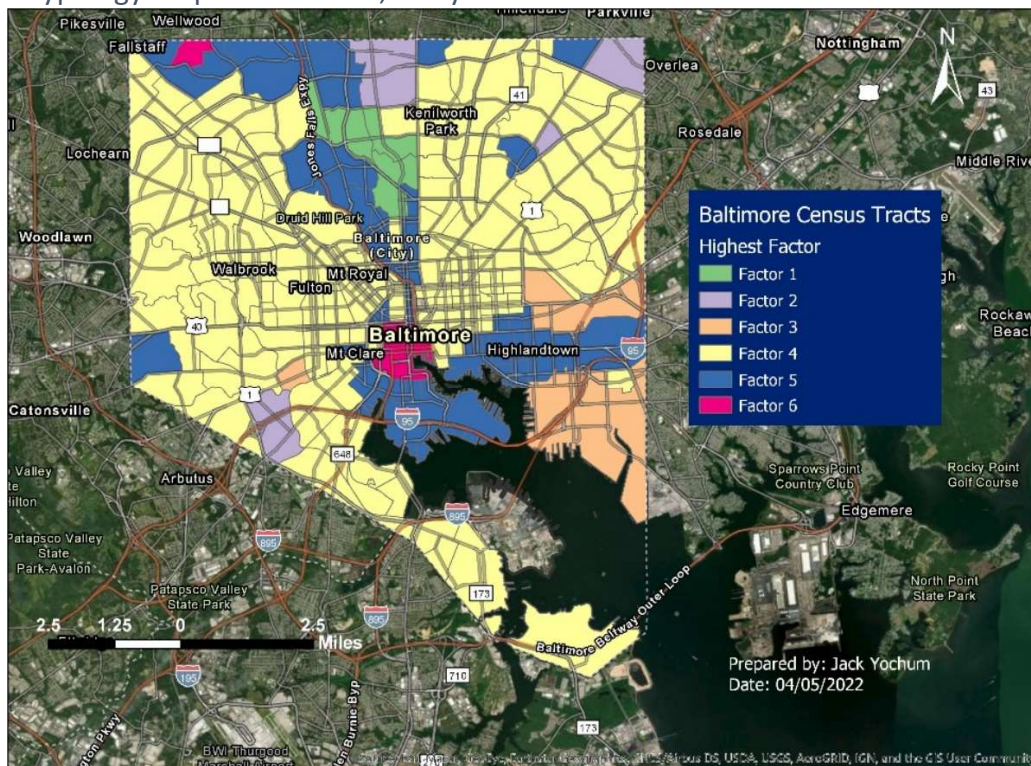
These patterns served as a starting point for discussions that led the team to understand what characteristics and qualities of many neighborhoods make them middle in the context of each city. Expanding the validation process, beyond individual census tracts in each city, the research team identified a set of twenty nationwide census tracts similar to each city's core middle

neighborhoods using the Similarity Search tool in ArcGIS Pro[38]. The team then sought validation of those comparison census tracts from practitioners. Practitioners from the following cities assisted us in this process:

- Cleveland, Ohio
- Baltimore, Maryland
- Des Moines, Iowa
- Plano, Texas
- Philadelphia, Pennsylvania
- Tulsa, Oklahoma
- Albuquerque, New Mexico
- Pocatello, Idaho
- St. Louis, Missouri

As a result of these discussions, the research team arrived at the conclusion that middle neighborhoods occur as subsets of four of the neighborhood types within our research typology: General Residential (Factor 2), Hispanic Neighborhoods (Factor 3), Black Neighborhoods (Factor 4), and Starter Homes (Factor 5).

Advice and insight shared by both the practitioner feedback group members and the other practitioners from communities across the country indicated that there remained a strong correlation between household income and neighborhood type. As a result, median household income was reintroduced as a dimension by which census tracts were grouped in the typology. By cross-sectioning these types with the 80%-120% median household income band often associated with middle neighborhoods, the research team obtained a total of 4,652 candidate census tracts for study nationwide. The Midwest contained the greatest number of candidate census tracts while the West contained the least.

Table 5: Middle Neighborhood Census Tracts

Region	# of Middle Tracts	% of Middle Tracts
Northeast	1,131	24.3%
Midwest	1,415	30.4%
South	1,210	26.0%
West	896	19.3%

---

[38] ESRI 2022. Desktop ArcGIS Pro: Release 3.0.1. Redlands, CA: Environmental Systems Research Institute.

Case Study Selection

In identifying case study neighborhoods, the research team looked at a variety of citywide trajectories in order to capture a wide range of dynamics that were likely to play out around middle neighborhoods. Cities were evaluated based on census region, population trend, population size, economy, urban or suburban status, and history of the region. Neighborhood growth dynamics were also examined as a dimension of middle neighborhoods. Figure 4 includes economic trends for each of the four neighborhood types.

Figure 3: Matrix of Middle Neighborhood Types across Economic Trends

Often due to the region's history, not every neighborhood type exemplifies "middle" the same way nationwide. Historically redlined neighborhoods in the Northeast, Midwest, and South have drastically impacted the trajectories of black neighborhoods through historic disinvestment while the scarce few black neighborhoods in the West face fewer infrastructure woes. Similarly, Hispanic neighborhoods vary heavily based on their historical roots in the West and South compared with how enclaves emerged to support manufacturing in the Midwest and Northeast.

The six cities selected were Cleveland, Ohio; Chicago, Illinois; South Milwaukee, Wisconsin; Charlotte, North Carolina; Plano, Texas; and Lakewood, Colorado. Three of these cities are part

of the Midwest, but have variation between them; Cleveland is associated with the decline from deindustrialization, Milwaukee has held a more stable trajectory in terms of population decline since the 1970s, and Chicago is the Midwest's megacity that houses stable enclaves of the black middle class. Charlotte is a diverse and growing city in the South that's also unique in being a part of a Dillon's Rule state[39] and is restricted in its authority as a result. Plano is one of our distinct suburban examples being part of a large and rapidly growing region in the Dallas-Fort Worth MSA. Lastly, Lakewood, a suburb of Denver, was unique in its growth boundaries and connection is a booming city. The research team suggests that this variety of regional representation and varying trajectories will illustrate the definitional breadth of middle neighborhoods, and that each city will contribute a unique perspective and set of strategies to economic and community development discourse in middle neighborhoods.

Figure 4: Case Study Matrix

Trends in Middle Neighborhood Types

Trend and Resources Available	Census Region			
	East	Midwest	South	West
Ascending Plentiful			Charlotte, NC	Denver, CO Plano, TX
Stable Available		Chicago, IL Milwaukee, WI		
Declining Few		Cleveland, OH		

---

[39] Dillon's Rule, as opposed to Home Rule, is a system where local governments are granted specific authority by the state and are often preempted as a result.

Typology Mapping Tool

Throughout the typology formation, validation, and case study selection, the typology map maintained by the research team proved an unexpectedly popular and useful asset to those who were engaged in the typology development process. Practitioners from around the country expressed interest in access to the data, typology, and mapping tool for use in their own work. With additional investment and financial support from the Levin College of Public Affairs and Education, the research team created a set of expanded ArcGIS Online[40] mapping tools that is publicly available through the Levin College's website[41].

The publicly available interactive mapping tool displays the results from the typology developed in the Robert Wood Johnson Foundation Middle Neighborhoods work. Although this project focuses on case study communities, this tool includes the data for all 66,679 neighborhoods in our study area. The mapping tool includes:

1. *A Story Map*: An interactive interface where people can click on individual census tracts nationwide to get greater details on economic health, demographics, and factor scores. This map is divided by census region.
2. *Case Study Story Map*: An interactive map of each of the six case study neighborhoods that combines the visual aids of embedded maps and charts with a narrative that readers can scroll through.
3. *Legend Map*: An interactive map that contains tracts within cities with a population of over 50,000.

---

[40] ESRI 2022. ArcGIS Online. Redlands, CA: Environmental Systems Research Institute.
[41] The drafts of these tools can be found here:
https://www.arcgis.com/apps/MapSeries/index.html?appid=1db4cded601c43f493a0037fe1e338c1

A Closer Look at Six Middle Neighborhoods

The six cities selected were Cleveland, Ohio; Chicago, Illinois; South Milwaukee, Wisconsin; Charlotte, North Carolina; Plano, Texas; and Lakewood, Colorado. The research team conducted semi-structured interviews with stakeholders to identify leading issues in middle neighborhoods, provide greater context and detail of neighborhood dynamics, and provide an overview of ongoing strategies, policies, and programs being implemented in their respective communities. These interviews sought to uncover whether there are activities, programs, or efforts to address areas such as the business environment, housing, equity, and health. The topic areas for discussion were informed by the recommendations of the practitioner feedback group.
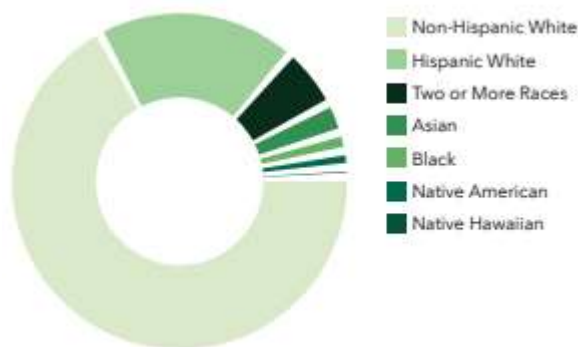
These case studies provide important information related to: 1) validation of the geographic delineation of using a census tract to categorize a neighborhood; 2) identification of essential information on the policy process in these areas; and 3) discovery of the best practices of each MN.

Case Study: Colfax Corridor of Lakewood, CO

Neighborhood Description

The Colfax Corridor of Lakewood, CO was identified as a middle neighborhood in an inner ring suburb of the Denver metropolitan area. The Denver metropolitan area is a large and growing region in the western United States and Lakewood is the fifth most populous municipality in the state.[42]

Figure 1. Colfax Corridor Race and Ethnicity

- Non-Hispanic White
- Hispanic White
- Two or More Races
- Asian
- Black
- Native American
- Native Hawaiian

The area defined as the Colfax corridor in Lakewood, Colorado has a population of 37,000 and a demographic profile very similar to the city of Lakewood. White (alone) residents represent 68% of the population, and White Hispanic residents represent 19% (Figure 1).

Source: U.S. Census Bureau. ACS 5-Year estimates (2016-2020)

---

42 City of Lakewood 2020-2024 Consolidated Plan & 2020 Action Plan
https://www.lakewood.org/files/assets/public/planning/comprehensive-planning/pdfs/cdbg/lakewood-draft-con-plan_1.pdf

The share of owner-occupied vs renter occupied housing is the opposite of the city of Lakewood, with an owner-occupied rate of 41%. Moreover, at $55,600, the median household income is 30% lower than the city of Lakewood. The senior population, as is also the case in other middle neighborhoods, is large and makes up 19% of the area residents.[43]

Figure 2. Colfax Corridor Housing Profile

Source: U.S. Census Bureau. ACS 5-Year estimates (2016-2020)

Figure 3. Colfax Corridor Educational Attainment

Source: U.S. Census Bureau. ACS 5-Year estimates (2016-2020)

Educational attainment statistics show that 11% of the population in the area doesn't have a high school diploma and 34% has at least a bachelor de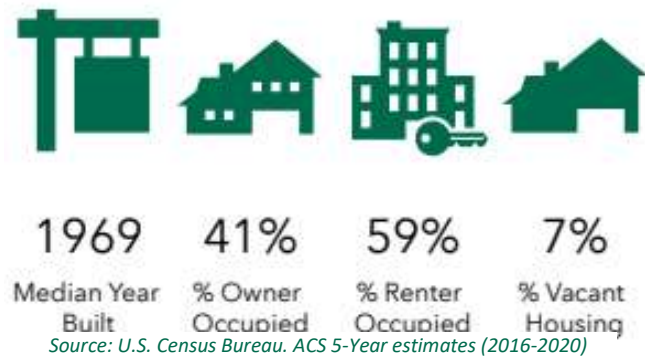gree. The median household income is 30% lower than the rest of the city at $55,600 and the highest income bracket is between $50k and $75k.[44] The most common industries where people work in Colfax are *Health Care and Social Assistance* (17.8%), *Public Administration* (17.2%), and *Retail Trade* (15.7%). The corridor employs a total of 30,772 people, of which 4.5% (1,400 people) both live and work in the area. The highest income bracket is $50,000 to $75,000.[45]

Due to the current low affordability and low vacancy in the Lakewood housing market, housing concerns are one of the main focus areas of city policies. Such policies include: creating and preserving affordable housing, expanding assistance services for senior citizens, including accessibility modifications, combatting poverty and homelessness, improving infrastructure, expanding broadband internet access, and lead remediation. Despite the fluctuations in the housing market since 2000, Lakewood has seen price increases that have only continued to grow. Even with a predicted decline sometime between 2022 and 2024, home prices will likely remain relatively high.[46]

Housing

Currently, Lakewood experiences a very tight rental market. In the second quarter of 2019, Lakewood's rental vacancy rate was 4.7%.[47] Coupled with rising home prices, Lakewood renters

---

[43] U.S. Census Bureau. ACS 5-Year estimates (2016-2020)

[44] Idem

[45] U.S. Census Bureau. (2023). LEHD Origin-Destination Employment Statistics (2002-2019). Washington, DC: U.S. Census Bureau, Longitudinal-Employer Household Dynamics Program.

[46] Economic & Planning Systems, Inc (2017). City of Lakewood Housing Study, 2017

47 City of Lakewood 2020-2024 Consolidated Plan & 2020 Action Plan

https://www.lakewood.org/files/assets/public/planning/comprehensive-planning/pdfs/cdbg/lakewood-draft-con-plan_1.pdf

find it difficult to become homeowners. While median home prices and rent in Lakewood are currently quite high, Moody's analysis predicts the Denver-Aurora-Lakewood housing market will see a 3.7% overall decrease sometime between Q4 2022 and Q4 2024.[48] In the last decade Lakewood has seen housing price increases which have only continued to grow. Even with the predicted decline sometime between 2022 and 2024, home prices will likely remain relatively high.

According to Department of Housing and Urban Development (HUD) data, cost burden and severe cost burden are the most prevalent housing problems in the city.[49] Currently, 64% of low-to-median income (LMI) renters, i.e., those who make less than the area median income, and 45% of LMI homeowners are cost burdened with rent or home payments.[50] Moreover, the city estimates that to afford rent in Lakewood, a household must earn at least $58,000 per year yet the median household income for renters is $45,000.[51] The most burdened portion of the study area is north of 6th avenue and east of Wadsworth. Moreover, a city rental gap analysis identified a 5,000-unit shortage of rentals affordable to households earning less than $25,000 per year.[52]

While the overall MSA has seen job and housing growth between 2000 and 2015, the city has seen relatively little new housing construction during this period. Lakewood had a growth ratio of more than 3 jobs to 1 housing unit, underscoring the tightness of the market.[53] Recently both Lakewood and the 7-county MSA have trended toward increased construction, which the Lakewood Housing Study theorizes will continue to increase.[54]

Due to affordability and vacancy issues in the housing and rental market in Lakewood, addressing housing concerns is one of the main focuses of city policies. In order to combat these problems, Lakewood is undertaking several policy measures and planning for future action. For example, Lakewood works with local non-profit Metro West Housing Solutions to develop and manage public housing complexes and distribute section 8 vouchers and other community services that aim to help everyone in the Lakewood community acquire housing. Currently, Metro West

---

48 Moody's Market Analysis as published in Fortune https://fortune.com/2022/08/01/housing-markets-where-home-prices-fall-and-rise-2023-2024-housing-forecast/
49 City of Lakewood 2020-2024 Consolidated Plan & 2020 Action Plan
https://www.lakewood.org/files/assets/public/planning/comprehensive-planning/pdfs/cdbg/lakewood-draft-con-plan_1.pdf
50 City of Lakewood 2020-2024 Consolidated Plan & 2020 Action Plan
https://www.lakewood.org/files/assets/public/planning/comprehensive-planning/pdfs/cdbg/lakewood-draft-con-plan_1.pdf
51 City of Lakewood 2020-2024 Consolidated Plan & 2020 Action Plan
https://www.lakewood.org/files/assets/public/planning/comprehensive-planning/pdfs/cdbg/lakewood-draft-con-plan_1.pdf
52 City of Lakewood 2020-2024 Consolidated Plan & 2020 Action Plan
https://www.lakewood.org/files/assets/public/planning/comprehensive-planning/pdfs/cdbg/lakewood-draft-con-plan_1.pdf
53 City of Lakewood Housing Study, 2017, Prepared by Economic & Planning Systems, Inc.,
https://www.lakewood.org/Government/Departments/Economic-Development/Housing-Study
54 City of Lakewood Housing Study, 2017, Prepared by Economic & Planning Systems, Inc.,
https://www.lakewood.org/Government/Departments/Economic-Development/Housing-Study

Housing Solutions manages over a dozen different affordable housing complexes throughout the Lakewood area.[55]

The city also addresses housing issues through programs to provide low-interest loans and grants to LMI homeowners for the purpose of renovating single-family homes in need of repair.**[56]** Related programs include neighborhood clean-up events for CDBG target areas as well as grants for exterior painting and minor home rehabilitation for elderly, disabled, and LMI households. Additionally, through a partnership with Jefferson County Housing Authority, the city has developed a program in which grants and low-interest loans are available to ensure homeowners are not "forced from their homes due to dangerous or substandard conditions."[57] In the 2025 Plan, Lakewood also identifies goals that include developing incentives for developers to included affordable housing in residential developments, creating support programs for homeownership such as down payment assistance programs, and directing more federal funding to Metro West Housing Solutions.[58]

Lakewood is also working with the Jefferson County HOME Consortium to direct HUD HOME funds to eligible rental and for-sale units in order to address affordability issues for low-income households.[59] One of the main mechanisms Lakewood uses to address these concerns is the CDBG, which will focus on LMI neighborhoods.[60] CDBG funding is also supplemented by the city's Capital Improvement and Preservation Plan (CIP), the city's economic development fund, HOME funds allocated through the Jefferson County Consortium, private activity bonds, Lakewood Reinvestment Authority funds, and Colorado Division of Housing and Colorado Housing Finance Agency competitive grant programs.

---

[55] Metro West Housing Solutions Apartment Communities https://www.mwhsolutions.org/apartment-communities.html
[56] City of Lakewood 2020-2024 Consolidated Plan & 2020 Action Plan
https://www.lakewood.org/files/assets/public/planning/comprehensive-planning/pdfs/cdbg/lakewood-draft-con-plan_1.pdf
[57] City of Lakewood 2020-2024 Consolidated Plan & 2020 Action Plan
https://www.lakewood.org/files/assets/public/planning/comprehensive-planning/pdfs/cdbg/lakewood-draft-con-plan_1.pdf
[58] Lakewood 2025: Moving Forward Together, Chapter Four
https://www.lakewood.org/Government/Departments/Planning/Comprehensive-Planning-Main/Community-Plans#section-2
[59] City of Lakewood 2020-2024 Consolidated Plan & 2020 Action Plan
https://www.lakewood.org/files/assets/public/planning/comprehensive-planning/pdfs/cdbg/lakewood-draft-con-plan_1.pdf
[60] City of Lakewood 2020-2024 Consolidated Plan & 2020 Action Plan
https://www.lakewood.org/files/assets/public/planning/comprehensive-planning/pdfs/cdbg/lakewood-draft-con-plan_1.pdf

The City of Lakewood Planning department will be administering the CDBG program, which planning documents assert will "provide [the] greatest control over the scope, quality, and cost of each project."[61]

Economic Profile

As previously mentioned, Lakewood and the overall MSA have recently seen marginal commercial growth, with the biggest increase in the retail sector.[62] The largest share of the Lakewood workforce is in education and health care services (20%), followed by arts, entertainment, accommodations (11.98%), and professional, scientific, and management services (11.86).[63] The biggest single employers in Lakewood are the Federal government, the county school district, a major hospital, a medical device manufacturer, several financial service firms, and other knowledge-intensive business service firms.[64]

Because such a large portion of the local employers are involved in knowledge-intensive industries that require specialized training and skills, education is a critical factor in economic growth.[65] Educational attainment, however, is trending down, with the percentage of Lakewood residents with at least a high school degree down 7% since 2013.[66] There are a number of career training and higher education organizations within the immediate area that help address this issue. Lakewood residents have access to the Jefferson County Business and Workforce Center, as well as Red Rocks Community College, and Colorado School of Mines, among others.[67] Lakewood recommends addressing future employer needs by expanding partnerships between government entities, businesses, and educational institutions.

---

[61] City of Lakewood 2020-2024 Consolidated Plan & 2020 Action Plan
https://www.lakewood.org/files/assets/public/planning/comprehensive-planning/pdfs/cdbg/lakewood-draft-con-plan_1.pdf
[62] Lakewood 2025: Moving Forward Together, Chapter 5,
https://www.lakewood.org/Government/Departments/Planning/Comprehensive-Planning-Main/Community-Plans#section-2
[63] City of Lakewood 2020-2024 Consolidated Plan & 2020 Action Plan
https://www.lakewood.org/files/assets/public/planning/comprehensive-planning/pdfs/cdbg/lakewood-draft-con-plan_1.pdf
[64] City of Lakewood 2020-2024 Consolidated Plan & 2020 Action Plan
https://www.lakewood.org/files/assets/public/planning/comprehensive-planning/pdfs/cdbg/lakewood-draft-con-plan_1.pdf
[65] City of Lakewood 2020-2024 Consolidated Plan & 2020 Action Plan
https://www.lakewood.org/files/assets/public/planning/comprehensive-planning/pdfs/cdbg/lakewood-draft-con-plan_1.pdf
[66] City of Lakewood 2020-2024 Consolidated Plan & 2020 Action Plan
https://www.lakewood.org/files/assets/public/planning/comprehensive-planning/pdfs/cdbg/lakewood-draft-con-plan_1.pdf
[67] City of Lakewood 2020-2024 Consolidated Plan & 2020 Action Plan
https://www.lakewood.org/files/assets/public/planning/comprehensive-planning/pdfs/cdbg/lakewood-draft-con-plan_1.pdf

Lakewood's 2025 comprehensive plan describes its overall economic development strategy as supporting and growing existing businesses, especially small businesses, as well as attracting new employers by having a higher quality of life in the city rather than focusing on tax incentives and lower business costs.[68] Thus the city plans to market Lakewood as an attractive place to live and do business with a high quality of life, among other action steps. Additionally, the city has designated certain locations as "growth areas" which have been planned and zoned for higher density employment, retail, and residential growth.[69] These areas are anticipated to experience the majority of residential and employment increases expected in the next decade. These areas are strategically located along major transportation corridors as the city refocuses on transit-oriented development (TOD).[70]

The city has designated several reinvestment areas as well as two business improvement districts (BIDs). These BIDs are public/private partnerships "in which property owners and business owners elect to make a collective contribution to the maintenance, development, and promotion of their commercial district."[71] In addition to supporting existing businesses, the city is targeting economic development efforts toward industries like aerospace, aviation, bioscience, broadcasting and telecom, energy, IT, financial services, and healthcare and wellness.

One prominent BID is the Colfax Avenue Corridor, which runs through predominately low-income areas and has been the subject of many development initiatives in recent years. The Colfax Avenue Corridor has also been designated as an Arts District[72] and the city adopted the Colfax 2040 Plan to continue improvements to the area. The consolidated plan notes that the city could attract national investment by fixing the flood–plain along the corridor and continuing to update existing infrastructure.[73]

Community Health

---

[68] Lakewood 2025: Moving Forward Together, Chapter 5, https://www.lakewood.org/Government/Departments/Planning/Comprehensive-Planning-Main/Community-Plans#section-2
[69] Lakewood 2025: Moving Forward Together, Chapter 5, https://www.lakewood.org/Government/Departments/Planning/Comprehensive-Planning-Main/Community-Plans#section-2
[70] Lakewood 2025: Moving Forward Together, Chapter 5, https://www.lakewood.org/Government/Departments/Planning/Comprehensive-Planning-Main/Community-Plans#section-2
[71] Lakewood 2025: Moving Forward Together, Chapter 5, https://www.lakewood.org/Government/Departments/Planning/Comprehensive-Planning-Main/Community-lans#section-2
[72] City of Lakewood 2020-2024 Consolidated Plan & 2020 Action Plan https://www.lakewood.org/files/assets/public/planning/comprehensive-planning/pdfs/cdbg/lakewood-draft-con-plan_1.pdf
[73] City of Lakewood 2020-2024 Consolidated Plan & 2020 Action Plan https://www.lakewood.org/files/assets/public/planning/comprehensive-planning/pdfs/cdbg/lakewood-draft-con-plan_1.pdf

Lakewood confronts a few challenges to public health within its middle neighborhoods. One such challenge Lakewood is attempting to address with future city policies is the broadband needs of LMI households. Broadband internet access can improve community health by decoupling geographical location from the ability to access medical care. The city's analysis estimates that 14% of households earning between $20,000 and $75,000 per year and 31% of households earning less than $29,000 per year are without internet access. [74]

Another priority for Lakewood is the removal and reduction of lead-based paint hazards. The city is currently using HUD funding and other resources for programs that include testing, evaluation, community education, and abatement of lead-based paint hazards.[75] Additionally, the city alongside Metro West Housing Solutions has integrated lead-hazard evaluation into existing housing programs.

The most frequent infrastructure improvement demand received by the City of Lakewood is sidewalk repair or construction.[76] Unfortunately, sidewalk infrastructure does not exist in many older neighborhoods and even along many major streets in Lakewood. The consolidated plan notes that the current waitlist for sidewalk projects contains about 180 locations, which amounts to around 58 miles of sidewalk.[77] The city estimates that the total cost of completion is between $75 and $250 million, while the city budget only allots $500,000 per year for sidewalk construction projects.[78] The city has made some progress, however, with the recently launched ArtLine 4-mile walking/biking path in the Colfax Avenue Corridor.

Interview Findings

Interviews reveal how a "bedroom community" outside of the major city of Denver, comprised of residents who largely commute outside the community to work, can become an attractive middle neighborhood with a distinct identity that is a desirable place to live and work. A significant finding was the concept of "retrofitting suburbia." In Lakewood's case, this was done consciously, and is most apparent in the gutting and renovation of the old, vacant Belmar mall

[74] City of Lakewood 2020-2024 Consolidated Plan & 2020 Action Plan
https://www.lakewood.org/files/assets/public/planning/comprehensive-planning/pdfs/cdbg/lakewood-draft-con-plan_1.pdf
[75] City of Lakewood 2020-2024 Consolidated Plan & 2020 Action Plan
https://www.lakewood.org/files/assets/public/planning/comprehensive-planning/pdfs/cdbg/lakewood-draft-con-plan_1.pdf
[76] City of Lakewood 2020-2024 Consolidated Plan & 2020 Action Plan
https://www.lakewood.org/files/assets/public/planning/comprehensive-planning/pdfs/cdbg/lakewood-draft-con-plan_1.pdf
[77] City of Lakewood 2020-2024 Consolidated Plan & 2020 Action Plan
https://www.lakewood.org/files/assets/public/planning/comprehensive-planning/pdfs/cdbg/lakewood-draft-con-plan_1.pdf
[78] City of Lakewood 2020-2024 Consolidated Plan & 2020 Action Plan
https://www.lakewood.org/files/assets/public/planning/comprehensive-planning/pdfs/cdbg/lakewood-draft-con-plan_1.pdf

into a new downtown area for the community, creating greater sense of identity and placemaking.

The oldest parts of Lakewood date back to the 1930s, and the rest largely developed after World War II to meet the needs of those working at the federal center. As it grew, Lakewood became a bedroom community of Denver; very few jobs or retail spaces existed outside of one large shopping center and the federal center. The subdivisions that came to be known as Lakewood incorporated in 1969 to improve law enforcement and avoid annexation into Denver. In the 1960s, the areas that became Lakewood urbanized rapidly and rural law enforcement could no longer meet the demands of the community.

At the beginning, Lakewood was "raggedy," without many amenities that were walkable or bikeable, and it remained a commuter city for decades. The mall defined the extent of the city's downtown, and it fell into decline along with the surrounding commercial corridors through the 80s and 90s. City leadership made the conscious choice to retrofit the old mall and surrounding area into a "shake and bake" downtown. Everything but the mall's façade was gutted, and the material was used to form a 26-block, 104-acre space in the style of a mid-twentieth century industrial American landscape. The work is ongoing, but the surrounding Alameda corridor is reported to have grown into a desirable commercial space.

Driving the development was the recognition that Lakewood could provide the best of both worlds: a safe suburban environment within reasonable distance of many amenities that also maintains easy access to the major city of Denver. The city capitalized on the existing bare bones of infrastructure to create a community desirable even to young families. To continue the development of Lakewood into a desirable, suburban MN with its own character, stakeholders hope to see a greater emphasis on community commercial development rather than corporate development going forward.

Community organizations in Lakewood have identified commercial corridor renovation as the crux of placemaking and identity development. Despite historical lack of cohesion, along with ongoing housing and equity issues, community-oriented business development anchors community efforts to retrofit stability and connectedness. While efforts and initiatives discussed in interviews have focused on the Alameda Corridor, the Colfax Corridor will benefit from the insight gained from the Alameda Corridor development efforts as well as the attention brought to the region.

Case Study: Idlewild, Neighborhood in Charlotte, NC

Neighborhood Description

Idlewild is a neighborhood in the southeast region of Charlotte, North Carolina. Charlotte has received recent attention for economic and population growth and, like Lakewood, is a large and growing city. The Idlewild neighborhood was chosen specifically because it is a majority minority region in the South.

Charlotte has been one of the fastest growing cities in the country in recent years with an annual growth rate of 1.7%. Based on current projections, the county expects a population growth rate of around 1.6% and an employment growth rate of 1.5% annually in the coming years.[79] The city speculates that trends such as higher birth rates, employment growth, center city urban growth, and job growth will drive these trends.

The city recently adopted the Charlotte Future 2040 Comprehensive Plan (2040 Plan), its first community-wide development plan since 1975.[80] The 2040 plan outlines 10 broad goals for the city. These include improved transit, access to housing, diversity and inclusion, health and safety, community identity, and economic development. In particular, Charlotte's 2040 plan emphasizes the city's past history of redlining and disproportionate racial and class development. Early in the planning process, the city created the "Charlotte Equity Atlas," which examines the built aspects of the city through a lens of equity and inclusion.[81]

The plan also utilizes some unique ideas such as "place types," which are a special kind of zoning guidance that include stipulations for land use, character, mobility, building design, and open space.[82] The 2040 plan is also guided by a concept referred to as "complete communities," which it defines as "Neighborhoods that provide people with safe and convenient choices for a variety of goods and services, jobs, and housing options."[83]

Idlewild is a neighborhood located in Charlotte. The estimated population of Idlewild is 26,300. The majority of its residents are Black or African American (34.7%), followed by White (25.6%), Hispanic or Latino (21.8%), and Asian (13.4%).[84] Idlewild residents have a median age of 37.

---

[79] Charlotte Future 2040 Plan, https://cltfuture2040.com/
[80] Charlotte Future 2040 Plan, https://cltfuture2040.com/
[81] Charlotte Future 2040 Plan, https://cltfuture2040.com/
[82] Charlotte Future 2040 Plan, https://cltfuture2040.com/
[83] Charlotte Future 2040 Plan, https://cltfuture2040.com/
[84] U.S. Census Bureau. ACS 5-Year estimates (2016-2020)

Figure 1. Idlewild Race and Ethnicity

Legend:
- Black
- Non-Hispanic White
- Asian
- Hispanic White
- Two or More Races
- Native American
- Native Hawaiian
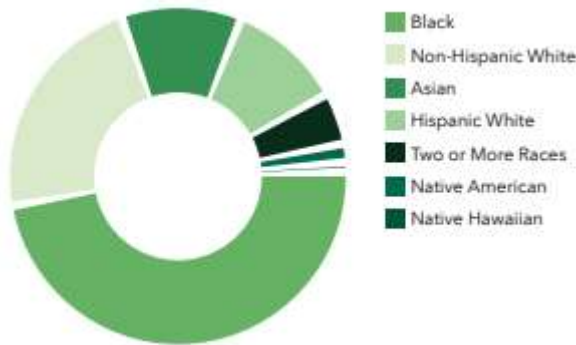
Source: U.S. Census Bureau. ACS 5-Year estimates (2016-2020)

There are approximately 7,900 people employed in Idlewild, of which 3.3% (263 people) are both residents and employees in the neighborhood. The workforce of Idlewild is largely employed in three industries: *Retail Trade* (27.8%), *Administration & Support, Waste Management and Remediation* (19.2%), and *Health Care and Social Assistance* (13.3%).[85] The median income in Idlewild is $46,440 and approximately 24% of the population has a bachelor's degree or higher while 28% has a high school diploma.[86] The largest income group (21.8%) has an annual household income between $50,000 and $75,000.

There is a perception that housing is affordable in Charlotte, which materializes strongly in Idlewild. The median home value in 2020 was $148,000 and median year built is 1978, which is 13 years older than the median age of houses in Charlotte.[87] The Charlotte Future 2040 plan seeks to preserve this affordability with policies that not only aim to preserve the existing stock of affordable housing that has naturally materialized, but also to incentivize the construction of new affordable housing in the neighborhood.[88]

Figure 2. Idlewild Housing Profile

| 1978 | 48% | 52% | 5% |
| Median Year Built | % Owner Occupied | % Renter Occupied | % Vacant Housing |

Source: U.S. Census Bureau. ACS 5-Year estimates (2016-2020)

Housing

[85] U.S. Census Bureau. (2023). LEHD Origin-Destination Employment Statistics (2002-2019). Washington, DC: U.S. Census Bureau, Longitudinal-Employer Household Dynamics Program.
[86] U.S. Census Bureau. ACS 5-Year estimates (2016-2020)
[87] Idem
[88] The Charlotte Future 2040 Comprehensive Plan (2021)

Charlotte currently has the least amount of upward economic mobility of America's 50 largest cities.[89] Since 2000, the Freddie Mac Home Price in the Charlotte MSA has increased 74% while Zillow projects Charlotte MSA rent price has increased 62%.[90] In contrast, Mecklenburg County's median household income has only increased by 29% in that time. The Charlotte 2040 Plan notes that "growth, among other factors, has led to home and rental prices outpacing median household income, leading to gentrification and the risk of displacement for many Charlotte residents."[91]

To combat this problem, the city has a number of policies associated with the concept of housing access for all, including the preservation of "naturally occurring affordable and workforce housing and construction of new affordable housing."[92] Additionally, the city aims to increase affordable rental and "deed-restricted" housing units by targeting households at 80% or less area median income (AMI) within a half mile of "activity centers" and high-performance transit.[93] Charlotte also plans to dedicate at least 10% of future housing trust funds to homeownership in areas with low housing opportunity scores, i.e. areas with low housing diversity.[94] Other proposed policies include pushing for changes in state laws to increase affordable housing opportunities.

More short-term actions outlined in the implementation strategy of the 2040 plan include streamlining existing programs that aid homeowners who desire to stay in their homes, developing market-focused regulatory and administrative changes to encourage the production of affordable housing, providing zoning incentives for mixed-income developments, and supporting an increased Housing Trust Bond Allocation to expand programs and develop more units. In an effort to increase the diversity of neighborhoods, Charlotte is also going to work to create more single-family attached and small-scale multi-family housing developments (15-units or less) near transit services and along arterials in lower density residential areas.[95]

One of the city's large Capital Investment Plans, the Housing Diversity Program, is "designed to create mixed-income communities by providing a continuum of housing needs from supportive housing to maintaining homeownership."[96] The Housing Diversity Plan consists of six supporting programs and to date the overall Housing Diversity Program has received $60 million in funding.[97]

Although Idlewild does not have any CDCs working solely in the area, LISC Charlotte does work across the city. In 2019, LISC Charlotte launched the Charlotte Housing Opportunity Investment

---

[89] Charlotte Future 2040 Plan, https://cltfuture2040.com/
[90] Charlotte Future 2040 Plan, https://cltfuture2040.com/
[91] Charlotte Future 2040 Plan, https://cltfuture2040.com/
[92] Charlotte Future 2040 Plan, https://cltfuture2040.com/
[93] Charlotte Future 2040 Plan, https://cltfuture2040.com/
[94] Charlotte Future 2040 Plan, https://cltfuture2040.com/
[95] Charlotte Future 2040 Plan, https://cltfuture2040.com/
[96] City of Charlotte Capital Investment Programs: Housing Diversity Program, https://charlottenc.gov/charlottefuture/CIP/Pages/Housing-Diversity.aspx
[97] City of Charlotte Capital Investment Programs: Housing Diversity Program, https://charlottenc.gov/charlottefuture/CIP/Pages/Housing-Diversity.aspx

Fund (CHOIF), with the intention of creating or preserving 1,500 units of mixed-income housing.[98] To date, they have leveraged $20 million of the city's Housing Trust Fund to "deepen the impact for low to moderate-income individuals," as well as supporting 1,047 units of affordable housing in the past three years.[99]

LISC is also involved in helping the City of Charlotte manage its acquisition and rehabilitation program in order to make home prices more affordable for low- and middle-income families. Together, they help recruit agencies, organizations, and contractors to buy single-family properties and refurbish them to market as affordable housing.[100] Moreover, LISC Charlotte is joining the Charlotte housing authority, INLIVIAN, to "roll out a $625,000 program launched by the online financial services company Ally Financial to help low- and middle-income first-time homebuyers attain financial self-sufficiency to strengthen their credit and savings on the pathway to owning their home."[101]

Charlotte is also taking the issue of displacement seriously and has devoted whole sections of the 2040 plan to anti-displacement strategies in order to manage the coming growth of the city in a way that does not result in the displacement of historically discriminated populations. The strategies the plan outlines to address this include producing enough housing for residents at all income levels, preserving the housing that already exists, protecting current residents from displacement in areas where neighborhoods are changing rapidly, and providing sufficient and affordable commercial space to support new, small, and locally owned businesses.[102]In addition, the plan recommends creating anti-displacement tools such as an affordable housing database, a right-to-purchase preservation program, and an affordable housing strike fund.[103]

The Charlotte Budget for Fiscal Year 2023 follows through on these commitments by making substantial investments into housing and equitable development. These include a$50 million investment in affordable housing initiatives and $30 million from ARPA tranche 2 for affordable housing initiatives "that support strategic partnerships, reduce displacement risk and advance staying in place." Modifications to the House Charlotte Homeownership Assistance Program also target increased housing access, such as by increasing the maximum loan amount for households earning 80% AMI and below to $30,000.[104] Charlotte also has a plan to spend $50 million on creating and preserving affordable housing every two years, totaling at least $200 million by 2028.[105] $17 million in ARPA tranche one funds have already gone toward housing and homelessness efforts.[106]

---

[98] LISC Charlotte 3-year Impact Report, https://www.lisc.org/charlotte/impact/
[99] LISC Charlotte 3-year Impact Report, https://www.lisc.org/charlotte/impact/
[100] LISC Charlotte, Additional Housing Programs, https://www.lisc.org/charlotte/what-we-do/affordable-housing/additional-housing-programs/
[101] LISC Charlotte, Additional Housing Programs, https://www.lisc.org/charlotte/what-we-do/affordable-housing/additional-housing-programs/
[102] Charlotte Future 2040 Plan, https://cltfuture2040.com/
[103] Charlotte Future 2040 Plan, https://cltfuture2040.com/
[104] City of Charlotte FY23 Adopted Budget, https://charlottenc.gov/budget/Pages/default.aspx
[105] City of Charlotte FY23 Adopted Budget, https://charlottenc.gov/budget/Pages/default.aspx
[106] City of Charlotte FY23 Adopted Budget, https://charlottenc.gov/budget/Pages/default.aspx

Economic Profile

As population and job growth continue, the city has garnered attention from businesses. Since 2018, Charlotte has recruited Centene, Credit Karma, Robinhood, Better.com, Lowe's, Microsoft, Honeywell, and many others to relocate or expand facilities in the city, resulting in around 14,400 new jobs and $1.5 billion in capital investment.[107] In addition, the city has a number of short-term actions planned, including a "Community Benefits Agreement to support the development of new and retention of existing community assets and amenities" such as childcare facilities around major employment centers.[108]

Charlotte's FY 2023 budget contains funding for six Municipal Service Districts, i.e., special tax districts designed to enhance economic vitality and the quality of life in the central business district or other commercial areas of the city.[109] The Municipal Service District revenues are generated through a property tax which "must be spent on programs and services that enhance the quality of the districts."[110]

The city has several other targeted economic development programs to incentivize economic growth. The Revitalize Business Corridors program provides matching grants for commercial businesses in specific areas of the city for façade, security, or brownfield improvement grants.[111]Charlotte is also working on programs to strengthen minority, women, and small business enterprise capacity with programs like Charlotte Business INClusion Capital Access and CBI Bonding Programs, as well as programs which provide financial assistance to build capacity for these types of businesses. Participants in these programs receive "expert mentorship and access to capital and leadership development."[112]

The city also offers a business investment grant program in order to attract new businesses. The grants are offered on varying tiers depending on the impact the business will have on the local economy. The grants are structured as reimbursement for "incremental ad valorem property taxes paid as a result of business investment."[113] The grants range from 50-90% reimbursement with term periods of 3 to 10 years. The grants require a certain number of jobs to be created by the business's activity that pay 100-125% of the average annual wage for the Charlotte MSA

---

[107] City of Charlotte Business Recruitment and Expansion, https://charlottenc.gov/ED/Recruitment/Pages/default.aspx
[108] Charlotte Future 2040 Plan Implementation Strategy Short-Term Actions, https://www.cltfuture2040plan.com/content/1-short-term-actions
[109] City of Charlotte FY23 Adopted Budget, https://charlottenc.gov/budget/Pages/default.aspx
[110] City of Charlotte FY23 Adopted Budget, https://charlottenc.gov/budget/Pages/default.aspx
[111] City of Charlotte FY23 Adopted Budget, https://charlottenc.gov/budget/Pages/default.aspx
[112] City of Charlotte FY23 Adopted Budget, https://charlottenc.gov/budget/Pages/default.aspx
[113] City of Charlotte Business Incentives Overview, https://charlottenc.gov/ED/Recruitment/Documents/2022-City-of-Charlotte-Incentives-Overview.pdf

($55,000) or the average annual wage for the standard occupation classification in the Charlotte MSA.[114]

Community Health

One of Charlotte's 2040 plan goals is "Healthy and Active Communities." Besides improving walkability, there are several actions the city is considering to promote "Healthy and Active Communities." Some short-term actions the city is considering include investing in programs that address social determinants of health conditions (tobacco use, substance abuse, domestic violence, etc.) by defining the most vulnerable neighborhoods first.[115] Also, as discussed above, the city is planning to offer ample brownfield improvement grants in order to encourage cleanup and redevelopment of these sites within the city.[116]

Additional actions include developing a "Public Space Master Plan" to investigate opportunities for new park, plaza, and public space projects as well as community events to promote health and wellness decision making.[117]

LISC Charlotte also has programs that address community health. In 2019, Fannie Mae awarded LISC and Atrium Health a "Sustainable Communities Innovation Challenge Award" for collaborative efforts to "improve health and housing" in Charlotte.[118] Using the grant funds, LISC and Atrium health are developing a health overlay component of the LISC Housing Opportunity Investment Fund which will produce mixed-income housing for families earning 30-120% of the AMI in "communities of opportunity."[119]

Interview Findings

The Idlewild interview reveals the dramatic impact that investment buyers have had and are currently having on the dynamics of middle neighborhoods. While discussing the metrics that led the team to choose Charlotte and Idlewild as a case study, it became clear that data from as recent as 2019 shows a noticeably different picture of the neighborhood than the time of the interview in 2022. Investment buying (i-buying) has spiked in the previous couple years,

---

[114] City of Charlotte Business Incentives Overview, https://charlottenc.gov/ED/Recruitment/Documents/2022-City-of-Charlotte-Incentives-Overview.pdf
[115] Charlotte Future 2040 Plan Implementation Strategy Short-Term Actions, https://www.cltfuture2040plan.com/content/1-short-term-actions
[116] Charlotte Future 2040 Plan Implementation Strategy Short-Term Actions, https://www.cltfuture2040plan.com/content/1-short-term-actions
[117] Charlotte Future 2040 Plan Implementation Strategy Short-Term Actions, https://www.cltfuture2040plan.com/content/1-short-term-actions
[118] LISC Charlotte, Additional Housing Programs, https://www.lisc.org/charlotte/what-we-do/affordable-housing/additional-housing-programs/
[119] LISC Charlotte, Additional Housing Programs, https://www.lisc.org/charlotte/what-we-do/affordable-housing/additional-housing-programs/

threatening the accessibility of homeownership for current and potential residents. Lower relative housing prices, a large amount of housing stock, and low interest rates to the high rate of i-buying in the neighborhood were attributed to this i-buying.

Furthermore, the city faces barriers in combatting the surge in investment buying. Cities in Home Rule states possess a greater degree of authority to legislate such things as restrictions that might limit investor purchases through code enforcement and rental registry. This is not the case for Charlotte. Thus, the city has enabled and leaned on HOAs to set more restrictions and deter the widespread purchasing of homes by external investors.

The interview highlighted the use of extensive rehab initiatives to strengthen Charlotte and Idlewild as robust Middle Neighborhoods. The city collaborated with community partners to proactively seek candidates for their rehab programs and improve the quality of the neighborhood. Charlotte is also working on innovative, holistic neighborhood programs that consider not only housing rehab and economic development, but all areas of neighborhood condition and infrastructure. For example, a new program called "Staying in Place" goes beyond conventional housing programs by hiring "non-profit quarterback organizations" to create a robust network of community resources, such as water and tree programs, to help people stay and find a community in Charlotte. Recognizing that middle neighborhoods are truly people- and placed-based, Charlotte took the somewhat novel approach of assigning essentially a "caseworker" to connect existing resources to neighborhoods in need. Their main challenge has been communicating what resources do exist to residents so that they can be utilized effectively.

Case Study: Auburn Gresham, Neighborhood in Chicago, IL

Neighborhood Description

The neighborhood of Auburn-Gresham is located on the south side of Chicago. It has a population of 44,753 with a sizable senior population (65 or over) that accounts for 16% of the total population. 32% of residents have a high school diploma or higher and 17% have a bachelor degree or higher.[120]

Our analysis found in Gresham an interesting case of a black middle neighborhood that has persisted through "white flight" and lower opportunities. Presently, the neighborhood is majority black (97%), but in the 1960's Gresham

Figure 1. Gresham Race and Ethnicity

Legend:
- Black
- Non-Hispanic White
- Two or More Races
- Hispanic White
- Asian
- Native American
- Native Hawaiian

Source: U.S. Census Bureau. ACS 5-Year estimates (2016-2020)

was a 99% white neighborhood that faced a major demographic shift. There is also a small settlement of Hispanic residents residing towards the north side of the neighborhood.

---
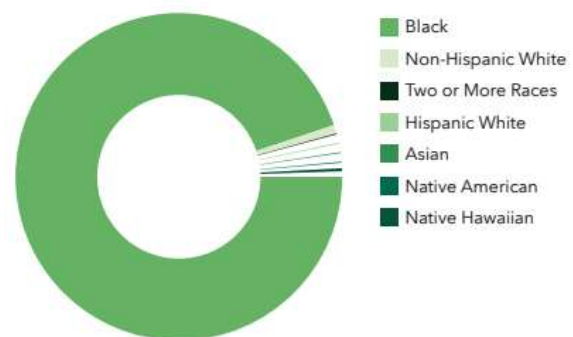
[120] U.S. Census Bureau. ACS 5-Year estimates (2016-2020)

Figure 2. Gresham Employment

Figure 2. Gresham Employment

57% White Collar

26% Blue Collar

17% Services

0.37 Employment-to-Population Ratio

Source: U.S. Census Bureau. ACS 5-Year estimates (2016-2020)

The median household income in Gresham is $37,000 and there are 2,298 people employed in the neighborhood, of which 9.3% (214 people) are both residents and employees. The three main industries in Gresham are *Health Care and Social Assistance* industry (15.5%), *Manufacturing* (11.8%), and *Retail Trade* (11.1%).[121]

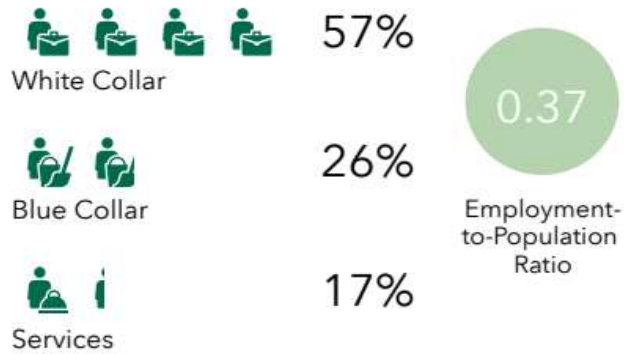The Greater Auburn Gresham Development Corporation (GAGDC) is continuously working to build up the neighborhood. One current goal is to encourage the purchase and rehabilitation of vacant lots and existing residential buildings. Currently only 48% of Auburn Gresham residents are homeowners, while the vacancy rate sits at 12%.[122] Many of these homeowners are multi-generational homeowners that have stayed in their homes for decades.[123] This situation helps explain the aging population in the neighborhood along with their lower incomes compared to other areas in the region. 20% of the households in Gresham have a household income of less than $15,000.

Figure 3. Gresham Housing Profile

1948 Median Year Built

48% % Owner Occupied

52% % Renter Occupied

12% % Vacant Housing

Source: U.S. Census Bureau. ACS 5-Year estimates (2016-2020)

Another special concern for Auburn Gresham residents is the level of crime in the area. As previously mentioned, before revitalization, crime was a big problem for the neighborhood. Things have improved a lot, but residents would still like to see safer streets. To that end, Auburn Gresham continues to strengthen neighborhood and community bonds through community policing programs like C.A.P.S, in partnership with the Chicago Police Department.[124] Additionally, strengthening faith-based institutions and their involvement within the community has helped to increase safety and security within the Auburn Gresham area.

Housing

---

[121] U.S. Census Bureau. (2023). LEHD Origin-Destination Employment Statistics (2002-2019). Washington, DC: U.S. Census Bureau, Longitudinal-Employer Household Dynamics Program.

[122] Greater Auburn-Gresham Development Corporation (2016). GAGDC Quality of Life Plan 2016

[123] Idem

[124] GAGDC Quality-of-Life Plan, Executive Summary, http://www.gagdc.org/uploads/gagdc/documents/ag_qol_exec_summary_final_10-28-16.pdf

In the recent past, Auburn was dealing with chronic disinvestment and decline. In interviews with GAGDC, some residents say they recognized the full extent of the problem when McDonald's decided to leave the neighborhood, along with other fast-food restaurants.[125] The neighborhood was having issues with gangs, drug dealing, and overall neglect.[126] Eventually, residents organized and started night marches against crime, and confronted drug dealers in the neighborhood. Today, Auburn is not without challenges, but it stands as a solid middle neighborhood of south side Chicago and a cultural center for the Black community.

While the City of Chicago has programs to help neighborhoods like Auburn Gresham, its main source of aid is the Greater Auburn Gresham Development Corporation. The GAGDC notes that while Auburn is doing better than during its lowest point of decline, it has been suffering disinvestment and out-migration from the previous generation.[127] Meanwhile, rising crime rates coupled with a reduction in home values make it difficult to attract new residents.[128] To address the crime issues, community and faith-based organizations have partnered with the Chicago Police on the Chicago Alternative Policing Strategy (C.A.P.S) Program.[129]

In addition, Auburn Gresham benefits from the engagement of its residents. 47% of Auburn Gresham residents are homeowners, which is higher than the overall Chicago average,[130] and of these homeowners, many are multi-generational and have stayed in their homes for decades. Currently, Auburn residents and the GAGDC are working on a number of projects to build up their neighborhoods. One goal is to encourage the purchase and rehabilitation of vacant lots and existing residential buildings.[131] The area has over 70 "block clubs" that participate in neighborhood beautification programs and clean ups.[132] This community involvement demonstrates that many small contributions can keep a neighborhood vibrant.

On the other hand, Auburn Gresham homeowners and renters have a much higher average housing cost compared to the City of Chicago.[133] Based on the most recent data from GAGDC, 25% of homeowners in Auburn Gresham pay 30% or more of their income on housing costs and

---

[125] Auburn Gresham renewal off the ground, GAGDC, http://www.gagdc.org/Our-community/About-Auburn-Gresham/Auburn-Gresham-renewal-off-the-ground.html

[126] Auburn Gresham renewal off the ground, GAGDC, http://www.gagdc.org/Our-community/About-Auburn-Gresham/Auburn-Gresham-renewal-off-the-ground.html

[127] GAGDC Quality of Life Plan 2016, http://www.gagdc.org/uploads/gagdc/documents/ag_qol_report_final_all_lr.pdf

[128] GAGDC Quality of Life Plan 2016, http://www.gagdc.org/uploads/gagdc/documents/ag_qol_report_final_all_lr.pdf

[129] GAGDC Quality of Life Plan 2016, http://www.gagdc.org/uploads/gagdc/documents/ag_qol_report_final_all_lr.pdf

[130] GAGDC Quality of Life Plan 2016, http://www.gagdc.org/uploads/gagdc/documents/ag_qol_report_final_all_lr.pdf

[131] GAGDC Quality of Life Plan 2016, http://www.gagdc.org/uploads/gagdc/documents/ag_qol_report_final_all_lr.pdf

[132] GAGDC Quality of Life Plan 2016, http://www.gagdc.org/uploads/gagdc/documents/ag_qol_report_final_all_lr.pdf

[133] GAGDC Quality of Life Plan 2016, http://www.gagdc.org/uploads/gagdc/documents/ag_qol_report_final_all_lr.pdf

earn less than $35,000 per year.[134] In order to address this, the GAGDC plans to create a centralized apartment finder in the community to connect potential residents with programs and education on the rental and home-buying process.[135] In addition, GAGDC is partnering with local financial institutions to help develop programming to help first time homebuyers.[136]

In 2021, the City of Chicago passed the Affordable Requirements Ordinance (ARO), which "expands off-site options that target Chicagoans in the greatest need for affordable rental housing, while also focusing on anti-displacement measures that allow long-time residents to remain in their communities and benefit from redevelopment."[137] The measure also encourages production of more affordable and family-sized units and maintains funding for existing programs supporting low-income renters.[138]

The City of Chicago also offers several different homeowner assistance programs. The Emergency Heating Repair Program is eligible to owner-occupants of one-to-four-unit residential buildings that are habitable and not at risk of foreclosure.[139] To qualify, the household's income must be at 80% AMI or less according to household size scale.[140] However, the program is currently suspended until May 2023. There is also the Small Accessible Repair Program for Seniors (SARPS) which is also capped at 80% AMI.[141] Lastly, the Tax Increment Financing Neighborhood Improvement Program (TIF NIP) provides repair grants for single-family residences (1-4 units), and? up to 30% of the grant can be used for repairs inside as long as they are health and safety related.[142] Homeowners eligible for grants can make up to 100% AMI, or from 100-140% AMI if they match the grant dollar for dollar.[143]

In partnership with GAGDC, the city also participates in Freddie Mac's Block by Block initiative, which is designed to revitalize urban neighborhoods recovering from the economic crisis.[144]Additionally, through a partnership with the GAGDC, the Neighborhood Housing Services of Chicago, and for-profit capital sources, the City of Chicago offers the Micro-Market Recovery

---

[134] GAGDC Quality of Life Plan 2016,
http://www.gagdc.org/uploads/gagdc/documents/ag_qol_report_final_all_lr.pdf
[135] GAGDC Quality of Life Plan 2016,
http://www.gagdc.org/uploads/gagdc/documents/ag_qol_report_final_all_lr.pdf
[136] GAGDC Quality of Life Plan 2016,
http://www.gagdc.org/uploads/gagdc/documents/ag_qol_report_final_all_lr.pdf
[137] City of Chicago Affordable Requirements Ordinance,
https://www.chicago.gov/city/en/depts/doh/provdrs/developers/svcs/aro.html
[138] City of Chicago Affordable Requirements Ordinance,
https://www.chicago.gov/city/en/depts/doh/provdrs/developers/svcs/aro.html
[139] City of Chicago, For Homeowners, https://www.chicago.gov/city/en/depts/doh/provdrs/homeowners.html
[140] City of Chicago Affordable Requirements Ordinance,
https://www.chicago.gov/city/en/depts/doh/provdrs/developers/svcs/aro.html
[141] City of Chicago, For Homeowners, https://www.chicago.gov/city/en/depts/doh/provdrs/homeowners.html
[142] City of Chicago, For Homeowners, https://www.chicago.gov/city/en/depts/doh/provdrs/homeowners.html
[143] City of Chicago, For Homeowners, https://www.chicago.gov/city/en/depts/doh/provdrs/homeowners.html
[144] Greater Auburn Gresham Development Corporation, Community: Housing, http://www.gagdc.org/Our-community/Housing.html

Program (MMRP).[145] The MMRP is designed to improve conditions, strengthen property values, and "create environments supportive of private investment in targeted areas by strategically deploying public and private capital and other tools and resources in well-defined micro markets."[146] MMRP is currently operating in Auburn Gresham and Englewood.

Neighborhood Housing Services of Chicago, Inc. also works in the Auburn Gresham area, helping homeowners and "strengthening neighborhoods."[147] Their affiliate organization, Neighborhood Lending Services, is the state's largest nonprofit lender for homeowners and new home buyers.[148]

Economic Profile

Auburn Gresham was selected as one of 10 "priority neighborhoods" as part of the city's INVEST South/West commercial corridor improvement strategy.[149] Launched in 2019, the program's goal is to "re-activate neighborhood cores that have historically served as focal points for pedestrian activity, shopping, services, transportation, public spaces and quality-of-life amenities for local residents."[150] In Auburn Gresham, the focus has been on the intersection of 79th Street and Ashland Avenue. Commercial corridors like this one have experienced public and private disinvestment for nearly 75 years. This situation has led to reduced property values, public safety concerns, and a corresponding increase in abandoned buildings, vacant lots and blight.[151]

Funding for the citywide program, in part, includes $250 million in business incentives through city programs involving TIF and the Neighborhood Opportunity Fund.[152] The city states that the Invest South/West program will build on more than $500 million in planned infrastructure improvements focused on transportation, housing, and quality-of-life enhancements, as well as

---

[145] Greater Auburn Gresham Development Corporation, Community: Housing, http://www.gagdc.org/Our-community/Housing.html
[146] Greater Auburn Gresham Development Corporation, Community: Housing, http://www.gagdc.org/Our-community/Housing.html
[147] Greater Auburn Gresham Development Corporation, Community: Housing, http://www.gagdc.org/Our-community/Housing.html
[148] Greater Auburn Gresham Development Corporation, Community: Housing, http://www.gagdc.org/Our-community/Housing.html
[149] City of Chicago Planning and Development, Auburn Gresham, https://www.chicago.gov/city/en/depts/dcd/provdrs/invest_sw/svcs/auburn-gresham.html
[150] City of Chicago Planning and Development, Auburn Gresham, https://www.chicago.gov/city/en/depts/dcd/provdrs/invest_sw/svcs/auburn-gresham.html
[151] Auburn Gresham Invest South West Kickoff Summary & Next Steps, https://www.chicago.gov/content/dam/city/depts/dcd/general/invest_sw/auburn_gresham/auburn_gresham_kickoff_summary.pdf
[152] Auburn Gresham Invest South West Kickoff Summary & Next Steps, https://www.chicago.gov/content/dam/city/depts/dcd/general/invest_sw/auburn_gresham/auburn_gresham_kickoff_summary.pdf

infrastructure projects like "FastTracks" improving the CTA Green Line and the Auburn Park Metro Station.[153]

Public comments received in the Invest South/West Auburn Gresham kick-off event named a number of primary needs and concerns. Residents want more retail buildings with residential space above, more sit-down residents, improved care of vacant buildings and abandoned lots, new and improved grocery stores, and more activities for children and young adults.[154] Residents expressed concern about the abundance of liquor stores and bars in the area, the high concentration of cell phone stores and currency exchanges, and crime in the area.[155]

In GAGDC's 2016 community analysis, they noted several trends and needs that they hope to address within Auburn Gresham neighborhoods. They note that Auburn Gresham has hundreds of small businesses along major commercial corridors but there are still relatively few jobs in the area that provide a living wage.[156]

To remedy this, GAGDC has developed several strategies for economic and community development. They plan to strengthen relationships with business owners and cultivate entrepreneurs from within the community by partnering with community colleges, local social service organizations and corporations to encourage skills training in growing industries.[157] The quality-of-life plans also details creation of a "small business mega center" in order to foster local economic activity.[158] In addition, GAGDC hopes to attract and retain new business in the community. To do this, they are partnering with a number of local businesses, neighborhood associations, culinary schools, and employment resource centers.[159]

Community Health

---

[153] Auburn Gresham Invest South West Kickoff Summary & Next Steps,
https://www.chicago.gov/content/dam/city/depts/dcd/general/invest_sw/auburn_gresham/auburn_gresham_kickoff_summary.pdf
[154] Auburn Gresham Invest South West Kickoff Summary & Next Steps,
https://www.chicago.gov/content/dam/city/depts/dcd/general/invest_sw/auburn_gresham/auburn_gresham_kickoff_summary.pdf
[155] Auburn Gresham Invest South West Kickoff Summary & Next Steps,
https://www.chicago.gov/content/dam/city/depts/dcd/general/invest_sw/auburn_gresham/auburn_gresham_kickoff_summary.pdf
[156] GAGDC Quality of Life Plan 2016,
http://www.gagdc.org/uploads/gagdc/documents/ag_qol_report_final_all_lr.pdf
[157] GAGDC Quality of Life Plan 2016,
http://www.gagdc.org/uploads/gagdc/documents/ag_qol_report_final_all_lr.pdf
[158] GAGDC Quality of Life Plan 2016,
http://www.gagdc.org/uploads/gagdc/documents/ag_qol_report_final_all_lr.pdf
[159] GAGDC Quality of Life Plan 2016,
http://www.gagdc.org/uploads/gagdc/documents/ag_qol_report_final_all_lr.pdf

Community health is an important concern for the area because Auburn Gresham residents experience higher rates of cancer mortality than the U.S. average and Chicago overall.[160] Additionally, Chicago Health Atlas data indicates that a significant portion of Auburn residents ages 18-64 were uninsured.[161] Residents face barriers to healthcare such as unaffordability, lack of access to fitness facilities, and dearth of healthy food stores.[162]

GAGDC is working on programing to promote health and wellness in the Auburn Gresham neighborhood. Utilizing an educational and intergenerational learning approach, it intends to raise awareness and address community health challenges with proactive and preventative means.[163] To accomplish this, GAGDC intends to strengthen awareness of existing health and wellness resources through both print and electronic communications.[164] Additionally, in cooperation with the City of Chicago, GAGDC is developing a Healthy Lifestyle Hub on 79th Street in partnership with Oak Street Health and other Chicago health organizations.[165] Funds from the city will allow for the redevelopment of a vacant four-story building to focus on health and wellness.[166] The $15.9 million project will feature medical offices for anchor tenant UI Health, allowing for comprehensive primary and preventative services for community residents.[167]

Like many other middle neighborhoods, Auburn Gresham has a high proportion of senior residents, making up 16% of the population.[168] Because of this, access to nearby healthcare and preventative care is a priority for Auburn residents. GAGDC has identified nutritional awareness and physical fitness as the most important aspects of keeping seniors healthy and will partner with local organizations to offer appropriate programming for Auburn's seniors.[169]

---

[160] AGDC Quality of Life Plan 2016,
http://www.gagdc.org/uploads/gagdc/documents/ag_qol_report_final_all_lr.pdf
[161] AGDC Quality of Life Plan 2016,
http://www.gagdc.org/uploads/gagdc/documents/ag_qol_report_final_all_lr.pdf
[162] GAGDC Quality of Life Plan 2016,
http://www.gagdc.org/uploads/gagdc/documents/ag_qol_report_final_all_lr.pdf
[163] GAGDC Quality of Life Plan 2016,
http://www.gagdc.org/uploads/gagdc/documents/ag_qol_report_final_all_lr.pdf
[164] GAGDC Quality of Life Plan 2016,
http://www.gagdc.org/uploads/gagdc/documents/ag_qol_report_final_all_lr.pdf
[165] GAGDC Quality of Life Plan 2016,
http://www.gagdc.org/uploads/gagdc/documents/ag_qol_report_final_all_lr.pdf
[166] TIF Will Support Auburn Gresham Healthy Living Hub,
https://www.chicago.gov/city/en/depts/dcd/provdrs/tif/news/2020/december/tif-will-support-auburn-gresham-healthy-living-hub.html
[167] TIF Will Support Auburn Gresham Healthy Living Hub,
https://www.chicago.gov/city/en/depts/dcd/provdrs/tif/news/2020/december/tif-will-support-auburn-gresham-healthy-living-hub.html
[168] AGDC Quality of Life Plan 2016,
http://www.gagdc.org/uploads/gagdc/documents/ag_qol_report_final_all_lr.pdf
[169] AGDC Quality of Life Plan 2016,
http://www.gagdc.org/uploads/gagdc/documents/ag_qol_report_final_all_lr.pdf

Case Study: South Milwaukee, WI

Neighborhood Description

South Milwaukee is a suburb of Milwaukee named after its location just southwest of the city, along Lake Michigan. The city was incorporated as a village in 1892 and currently has a population of 20,797. While the majority of the city's population is white alone (80.7%), there is a moderate Hispanic and Latino population as well (12.5%). Residents have a high educational attainment rate, with 91.8% of residents 25 years or older having a high school degree or higher and 26% possessing a bachelor's degree or higher.[170]

Figure 1. South Milwaukee Educational Attainment

South Milwaukee employs 4,369 people, of which 17.5% (766 people) both live and work in the city. Most of the workforce is employed in *Manufacturing* (26.2%), *Health Care and Social Assistance* (18.8%), and *Educational Services* (14.8%).[171]

Source: U.S. Census Bureau. ACS 5-Year estimates (2016-2020)

There is a sizable senior population in the neighborhood that has aged in place. Nowadays seniors 65 and up represent about 17% of the population. The city is experiencing a demographic shift as baby boomers and senior residents are looking to downsize, while younger generations begin looking to "move up" and upgrade their housing[172], creating both a supply and a need for starter homes in the neighborhood. The owner-occupied housing rate stands at 61% and the vacancy rate remains low at 6%, with a median home value of $166,011 (Figure 2).

Figure 2. South Milwaukee Housing Profile

It is predicted that South Milwaukee will continue its role as a provider of starter homes with a main goal of creating and preserving affordable housing and housing options for a variety of income ranges.[173] The city plans to

Source: U.S. Census Bureau. ACS 5-Year estimates (2016-2020)

---

[170] U.S. Census Bureau. ACS 5-Year estimates (2016-2020)
[171] U.S. Census Bureau. (2023). LEHD Origin-Destination Employment Statistics (2002-2019). Washington, DC: U.S. Census Bureau, Longitudinal-Employer Household Dynamics Program.
[172] The City of South Milwaukee (2019). Housing Affordability Analysis
[173] Idem

focus on key re-development areas that are in high demand because of their location on the lakefront, near the park system and downtown. The plan is to encourage higher-quality and higher density housing while promoting programs to rehabilitate existing housing stock because about 70% of the city's housing was built before 1969.[174]

Housing

South Milwaukee is planning for an ongoing demographic shift. Baby boomers and senior residents are looking to downsize, while younger generations—especially millennials—look to "move up" and upgrade their housing.[175] The City of South Milwaukee predicts it will continue its role as a provider of starter homes. However, these younger workers are not looking for starter homes so much as a "starter community," i.e., a place where they can live and become part of a social and economic network.[176]

About 70% of the city's housing was built before 1969 in two phases: the two decades following the city's establishment in 1897, and during the post-World War II boom.[177] The city's Affordability Analysis notes that the overall condition of Milwaukee's housing stock is good and few units are in any sort of dilapidated structural condition.[178]

Over 90% of South Milwaukee renters pay between $500 and $1,500 per month, "suggesting availability for a wide range of income."[179] The city has 299 affordable housing units owned by a combination of private entities and the South Milwaukee Community Development Authority with additional support from the Wisconsin Housing and Economic Development Authority and HUD.[180] Notable areas are the multigenerational housing of Grant Park Square, the Sunrise Village Senior Apartments, and Parkcrest housing on 6th Avenue.

Unfortunately, there is not much undeveloped land available in the city. The Housing Affordability Analysis recommends higher density development in available land and increased density redevelopment in existing areas when available.[181] If these development goals were to

---

[174] Idem

[175] South Milwaukee Housing Affordability Analysis, https://www.southmilwaukee.gov/290/Housing-Affordability-Analysis

[176] South Milwaukee Housing Affordability Analysis, https://www.southmilwaukee.gov/290/Housing-Affordability-Analysis

[177] South Milwaukee Housing Affordability Analysis, https://www.southmilwaukee.gov/290/Housing-Affordability-Analysis

[178] South Milwaukee Housing Affordability Analysis, https://www.southmilwaukee.gov/290/Housing-Affordability-Analysis

[179] South Milwaukee Housing Affordability Analysis, https://www.southmilwaukee.gov/290/Housing-Affordability-Analysis

[180] South Milwaukee Housing Affordability Analysis, https://www.southmilwaukee.gov/290/Housing-Affordability-Analysis

[181] South Milwaukee Housing Affordability Analysis, https://www.southmilwaukee.gov/290/Housing-Affordability-Analysis

be accomplished, researchers estimate the city could accommodate up to about 25,000 residents, or roughly the theoretical maximum for South Milwaukee.[182]

One issue the city hopes to address in coming years is the 30-40 vacant properties within South Milwaukee that are not currently buildable under the city's zoning ordinance and building code because the lots do not meet requirements for frontage and lot area.[183] The city plans to address these properties on a case-by-case basis through its conditional use process utilizing revised zoning and infill development.[184]

Like other middle neighborhoods—especially those that expect a population increase in coming years—the city's main goal regarding housing is creating and preserving affordable housing options for a variety of income levels. The city plans to focus on key re-development areas in "close proximity to South Milwaukee assets, such as the lakefront, the park system, and downtown."[185] South Milwaukee plans to encourage higher-quality and higher-density housing in these areas while promoting programs to rehabilitate existing housing stock.

Another major focus of city policy is the redevelopment of downtown as well as the development of brownfields and former industrial sites into mixed-use areas that include residential housing, especially near the lakefront and parkway, in order to maximize the natural and economic value.[186]

In addition, South Milwaukee's 2030 Plan implementation strategy discusses developing property purchase programs for both rental properties and homeowners that incentivize building rehabilitation and landscape improvements.[187] The city also plans to create a sort of "road map" of how to make home improvements, while providing inspectors to accompany homebuyers during the home inspection process so that they can find greater ease in purchasing properties in South Milwaukee.[188] Community development organizations also play a role. For example, according to LISC Milwaukee, the Martin Luther King Economic Development Corporation received funding to start a new housing program that will acquire and rehabilitate vacant properties for new homeowners, with a target of 10 homes per year.[189]

---

[182] South Milwaukee Housing Affordability Analysis, https://www.southmilwaukee.gov/290/Housing-Affordability-Analysis

[183] South Milwaukee Housing Affordability Analysis, https://www.southmilwaukee.gov/290/Housing-Affordability-Analysis

[184] South Milwaukee Housing Affordability Analysis, https://www.southmilwaukee.gov/290/Housing-Affordability-Analysis

[185] South Milwaukee Housing Affordability Analysis, https://www.southmilwaukee.gov/290/Housing-Affordability-Analysis

[186] South Milwaukee Housing Affordability Analysis, https://www.southmilwaukee.gov/290/Housing-Affordability-Analysis

[187] City of South Milwaukee Comprehensive + Downtown Plan Update 2035. https://www.southmilwaukee.gov/172/Comprehensive-Plan

[188] City of South Milwaukee Comprehensive + Downtown Plan Update 2035. https://www.southmilwaukee.gov/172/Comprehensive-Plan

[189] LISC Milwaukee 2020 Impact Report, https://www.lisc.org/milwaukee/about-us/2020-impact-report/

Economic Profile

The trend in South Milwaukee has been the growth of higher-income brackets. The city has seen a decrease in the number of lower-paying jobs and an increase in the number of jobs paying a livable wage.[190] According to the Wisconsin Economic Development Corporation's "Locate in Wisconsin" tool, the South Milwaukee workforce is 59% blue collar and 40% white collar.[191] Additionally, among businesses in South Milwaukee, the majority (64.75%) have only 1-4 employees.[192]

South Milwaukee has a number of economic development strategies detailed in their 2035 plan, many of which the city aims to accomplish in the short term. Notable policy plans include promoting CDA and city-owned land on the city website and with "consistent, high-quality, on-site signage," marketing the area to Millennials as a starter community, and providing commission bonuses for brokers that bring experiential commercial businesses into South Milwaukee.[193] The city is also considering a plan for future development and redevelopment of underutilized, manufacturing-focused, and utility-oriented high-value lakeshore properties.

The city's 2035 plan details the progress and continued efforts to deal with brownfields throughout South Milwaukee. 68 contaminated sites have been cleaned and 16 are in progress as of the plan's publication.[194] The majority of the sites are along the Highway 32, a former manufacturing corridor for the city.

The city plans to take advantage of new market tax credits and food desert funding in three census tracts within the city in order to "incentivize business development by leveraging private investment in the form of tax credits, loans, and grants."[195] New market tax credits are a public funding tool offered through the U.S. Treasury Department's Community Development Financial Institutions Fund. The program is designed to help attract private investment in distressed or low-income communities by allowing community development entities to make investments with better rates and terms and more flexibility than traditional lenders.[196] The city will also

---

[190] City of South Milwaukee Comprehensive + Downtown Plan Update 2035.
https://www.southmilwaukee.gov/172/Comprehensive-Plan
[191] City of South Milwaukee Comprehensive + Downtown Plan Update 2035.
https://www.southmilwaukee.gov/172/Comprehensive-Plan
[192] City of South Milwaukee Comprehensive + Downtown Plan Update 2035.
https://www.southmilwaukee.gov/172/Comprehensive-Plan
[193] City of South Milwaukee Comprehensive + Downtown Plan Update 2035.
https://www.southmilwaukee.gov/172/Comprehensive-Plan
[194] City of South Milwaukee Comprehensive + Downtown Plan Update 2035.
https://www.southmilwaukee.gov/172/Comprehensive-Plan
[195] City of South Milwaukee Comprehensive + Downtown Plan Update 2035.
https://www.southmilwaukee.gov/172/Comprehensive-Plan
[196] City of South Milwaukee Comprehensive + Downtown Plan Update 2035.
https://www.southmilwaukee.gov/172/Comprehensive-Plan

utilize a number of state resources from the Wisconsin Economic Development Corporation as well as the Wisconsin Housing & Economic Development Authority.[197]

During the process of developing the latest plan, the city also identified twenty-five opportunity areas throughout South Milwaukee on which they plan to focus reinvestment and redevelopment efforts, with three of particular focus: downtown, Oak Creek Parkway, and Ebbs Creek.[198]

Another tool the city is utilizing for economic development is Tax Increment Financing (TIF). South Milwaukee has four Tax Incremental Districts (TIDs) where this funding is put to work.[199] Most of the projects within the TIDs have been focused on business development redevelopment, that is, the demolition or renovation of defunct, blighted retail or manufacturing space for conversion into new businesses.

The city is also considering ambitious economic development programs in partnership with local academic institutions such as sponsoring a business plan competition for existing and new businesses citywide and creating a "dolphin tank" program for existing business.[200] Community Development Organizations like LISC Milwaukee have also had an active role in the redevelopment of South Milwaukee, investing $2.6 million in small business support initiatives that have assisted 111 businesses, including 17 commercial properties, during the 2019-2020 fiscal year.[201]

Community Health

Food desert funding is offered by the Healthy Food Financing Initiative, a collaborative effort between the U.S. Departments of Agriculture, Treasury, and Health and Human Services. This program works in a similar way to the New Market Tax Credits mentioned above, but operates in the private sector. It incentivizes the expansion of nutritious food providers via low-risk financing for grocery stores and other food retailers.[202]

---

[197] City of South Milwaukee Comprehensive + Downtown Plan Update 2035.
https://www.southmilwaukee.gov/172/Comprehensive-Plan
[198] City of South Milwaukee Comprehensive + Downtown Plan Update 2035.
https://www.southmilwaukee.gov/172/Comprehensive-Plan
[199] City of South Milwaukee Comprehensive + Downtown Plan Update 2035.
https://www.southmilwaukee.gov/172/Comprehensive-Plan
[200] City of South Milwaukee Comprehensive + Downtown Plan Update 2035.
https://www.southmilwaukee.gov/172/Comprehensive-Plan
[201] LISC Milwaukee 2020 Impact Report, https://www.lisc.org/milwaukee/about-us/2020-impact-report/
[202] City of South Milwaukee Comprehensive + Downtown Plan Update 2035.
https://www.southmilwaukee.gov/172/Comprehensive-Plan

Case Study: Plano, TX

Neighborhood Description

Figure 1. Plano (Case Study) Race and Ethnicity
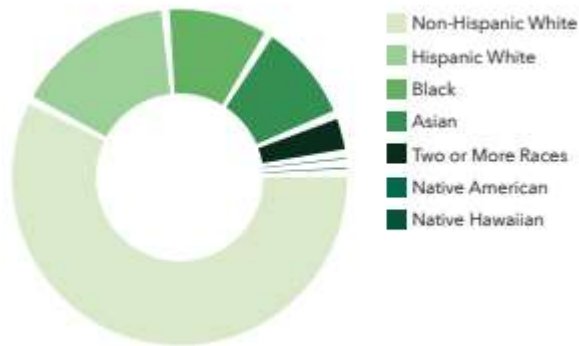
The case study area of Plano, Texas, has an estimated population of 17,100 people. The majority of the residents are White (Non-Hispanic) (58%), but there are sizeable minority communities in the area as well with Hispanic whites representing 16%, Black residents representing 11% and an Asian community representing 10% (Figure 1). The median housing value is reported to be $269,000 and there is an owner occupancy rate of 67% with a median household income of $91,000. [203]

Residents are highly educated with 50% or more reporting to have at least a Bachelor degree. Moreover, the largest income group (25%) has an income between $100k and $150k, with a median household income of $91,264 reported in the area.[204] The case study area of Plano employs 6,677 people, of which only 3.2% (216 people) both live and work in the neighborhood. Most of the workforce is employed in *Retail Trade* (37.0%), *Professional, Scientific and Technical Services* (18.1%), and *Accommodation and Food Services* (16.5%).[205]

Figure 2. Plano (Case Study) Employment

---
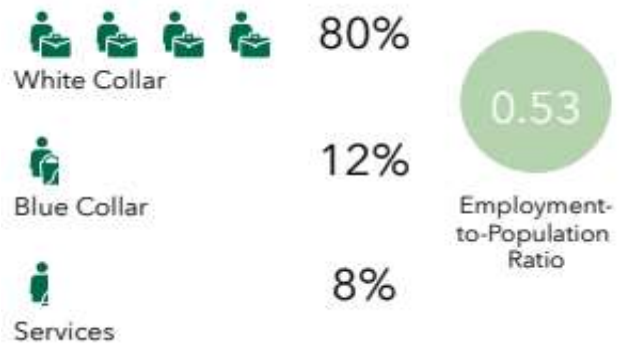
[203] U.S. Census Bureau. ACS 5-Year estimates (2016-2020)
[204] Idem
[205] U.S. Census Bureau. (2023). LEHD Origin-Destination Employment Statistics (2002-2019). Washington, DC: U.S. Census Bureau, Longitudinal-Employer Household Dynamics Program.

Figure 3. Plano (Case Study) Housing Profile

As a newer city, a large share of Plano housing is newer compared to other case study locations. With a mean year built of 1980 for the case study area (and 1994 for the entire city of Plano), houses that are 35 years or older are considered older housing (but captured as "new residential centers" in this analysis). The map of this area forms a mosaic of typologies and does not always capture the existence of multiple factors in neighborhoods when the threshold between factors is very small and a neighborhood could possess more than one characteristic identity.

1980	67%	33%	4%
Median Year Built	% Owner Occupied	% Renter Occupied	% Vacant Housing

Source: U.S. Census Bureau. ACS 5-Year estimates (2016-2020)

The recently adopted *Plano Comprehensive Plan 2021* states that there is a limited supply of room for new development and the city's growth will depend highly on redevelopment of existing areas and the competing demand for both commercial and residential zoning areas. Like other middle neighborhoods, Plano deals with housing related issues and trends such as residents aging in place and needing to transition to lower maintenance housing. Such situations rapidly inflate real estate costs, and create housing stock gaps in certain income brackets.

Housing

The recently adopted Plano Comprehensive Plan 2021 will serve as a policy framework for the city for the next 20-30 years. It attempts to predict future trends in housing demand and provides updated future land use maps with new categories and policies. Furthermore, Plano is utilizing guidelines for future zoning that they call "future land use dashboards."[206]

The planners argue that due to factors such as the less than 5% undeveloped land remaining within the city limits and approximately 500 acres currently zoned for residential uses, the potential for new housing growth will depend largely on redevelopment of existing sites. [207] Moreover, this situation will make accurate projections of Plano's future population a challenge since redevelopment is mostly driven by market demand, property owner interest, and individual site constraints.[208] Thus, the plan's population projections have predicted two possible scenarios for Plano's growth by 2050.

The 2050 Low Scenario assumes that redevelopment of commercial sites into single-family homes will be limited, especially in areas the future land use map designates "Neighborhood Corners" and "Community Corners." Projected housing is 10% of the maximum units that could

---

[206] City of Plano Comprehensive Plan 2021, https://planocompplan.org/DocumentCenter/View/2151/Adopted-Plan?bidId=

[207] City of Plano Comprehensive Plan 2021, https://planocompplan.org/259/The-Plan

[208] City of Plano Comprehensive Plan 2021, https://planocompplan.org/259/The-Plan

be supported in these areas due to the difference between commercial and single-family property values. In this scenario, multifamily demand remains high, projecting 100% of the maximum units supported by the dashboards created by the city.[209]

The 2050 High Scenario assumes an increasing demand for residential development and decreasing demand for commercial, resulting in 100% development of the single-family housing supported by the dashboards. Likewise, multifamily demand remains high with a projection of 100% of the maximum units supported by the dashboards.

In addition to the unpredictability of population growth and related housing needs, Plano has been dealing with other housing related issues and trends such as: residents aging in place and needing to transition to lower maintenance housing, rapidly inflating real estate costs, and housing stock gaps in certain income brackets.

On a geographic level, the two areas of the city that experienced the highest average annual increases in home prices were the northwest along the Dallas North Turnpike and 'Old Plano' near the intersection of 75.[210] Plano's recent Housing Trends analysis notes that "In 2008, a majority of neighborhoods in the city were largely affordable to a household earning the median income ($81,395)."[211] In contrast, by 2016, a majority of Plano neighborhoods had fewer homes affordable to households earning the median income which, by that time, had increased to $88,398.[212] During the recovery from the Great Recession, there was an increase in home sales that were affordable to households earning 80% AMI or less, but since then, have started to decline significantly.[213]

In order to help address these problems while stimulating neighborhood revitalization, Plano City Government has been using several programs. The "Great Update Rebate" program, for example, is a home improvement incentive program that utilizes general fund money to encourage reinvestment in older, "moderately priced homes by providing up to $5,000 in the form of a rebate to homeowners that choose to repair their homes."[214] The city also offers the "Love Where You Live" program which is designed to promote neighborhood engagement in Plano's older neighborhoods. It uses general fund money and enlists volunteer service groups funded through grants to help residents with minor home repairs.[215]

---

[209] City of Plano Comprehensive Plan 2021, https://planocompplan.org/259/The-Plan
[210] City of Plano Housing Trends Analysis 2018, https://content.civicplus.com/api/assets/e2363f8b-d0b8-411c-8af8-be7d1ae20506?version=0&q=962b42fa-a8c9-af8a-ee85-dd9af9016236
[211] City of Plano Housing Trends Analysis 2018, https://content.civicplus.com/api/assets/e2363f8b-d0b8-411c-8af8-be7d1ae20506?version=0&q=962b42fa-a8c9-af8a-ee85-dd9af9016236
[212] City of Plano Housing Trends Analysis 2018, https://content.civicplus.com/api/assets/e2363f8b-d0b8-411c-8af8-be7d1ae20506?version=0&q=962b42fa-a8c9-af8a-ee85-dd9af9016236
[213] City of Plano Housing Trends Analysis 2018, https://content.civicplus.com/api/assets/e2363f8b-d0b8-411c-8af8-be7d1ae20506?version=0&q=962b42fa-a8c9-af8a-ee85-dd9af9016236
[214] City of Plano Housing Trends Analysis 2018, https://content.civicplus.com/api/assets/e2363f8b-d0b8-411c-8af8-be7d1ae20506?version=0&q=962b42fa-a8c9-af8a-ee85-dd9af9016236
2022 City of Plano Housing Trends Analysis 2018, https://content.civicplus.com/api/assets/e2363f8b-d0b8-411c-8af8-be7d1ae20506?version=0&q=962b42fa-a8c9-af8a-ee85-dd9af9016236

Plano also has several federally-funded housing assistance and investment tools. These programs are funded through a combination of local and state entitlement funds (CDBG), HOME funds, and LIHTC. [216]The Housing Rehabilitation program uses federal grant funds to provide emergency and limited home repairs to qualified low-to-moderate income homeowners.[217] The First Time Homebuyer program provides down payments or closing cost assistance to qualified low-to-moderate income homeowners.[218] Plano has also recently launched the "Rapid Re-Housing" Program in an attempt to alleviate the city's homelessness issues. The program provides money for case management services and rental housing assistance.[219] Plano also has five LIHTC developments specifically for persons aged 55 or older and one for the general population.[220]

Plano's analysis notes, however, that the prospect of continued federal funding support is bleak. In the report, they state that "Nationwide, CDBG funding to entitlement communities has dropped 24% from approximately $4.4 billion to approximately $3.3 billion in 2019.[221] HOME funding also decreased by 26%.[222] Moreover, the Office of Management and Budget forecasts that over the next eight years, federal outlays to all these entitlement programs will drop by at least 75%.[223]

The city's analysis recommends two policy mechanisms to supplement future funding if needed: regenerative funds and general obligation funds. Regenerative funds are conceptualized as "a revolving loan fund that can be used for production or end-user assistance. These funds are an appropriate mechanism to address affordability 'when critics voice opposition to the concept of handouts.'"[224] General obligation funds are described as the issuing of bonds that "fold in broad community attractiveness and development goals" in order to stimulate market supply production.[225]

---

[216] City of Plano Housing Trends Analysis 2018, https://content.civicplus.com/api/assets/e2363f8b-d0b8-411c-8af8-be7d1ae20506?version=0&q=962b42fa-a8c9-af8a-ee85-dd9af9016236

[217] City of Plano Housing Trends Analysis 2018, https://content.civicplus.com/api/assets/e2363f8b-d0b8-411c-8af8-be7d1ae20506?version=0&q=962b42fa-a8c9-af8a-ee85-dd9af9016236

[218] City of Plano Housing Trends Analysis 2018, https://content.civicplus.com/api/assets/e2363f8b-d0b8-411c-8af8-be7d1ae20506?version=0&q=962b42fa-a8c9-af8a-ee85-dd9af9016236

[219] City of Plano Housing Trends Analysis 2018, https://content.civicplus.com/api/assets/e2363f8b-d0b8-411c-8af8-be7d1ae20506?version=0&q=962b42fa-a8c9-af8a-ee85-dd9af9016236

[220] City of Plano Housing Trends Analysis 2018, https://content.civicplus.com/api/assets/e2363f8b-d0b8-411c-8af8-be7d1ae20506?version=0&q=962b42fa-a8c9-af8a-ee85-dd9af9016236

[221] City of Plano Housing Trends Analysis 2018, https://content.civicplus.com/api/assets/e2363f8b-d0b8-411c-8af8-be7d1ae20506?version=0&q=962b42fa-a8c9-af8a-ee85-dd9af9016236

[222] City of Plano Housing Trends Analysis 2018, https://content.civicplus.com/api/assets/e2363f8b-d0b8-411c-8af8-be7d1ae20506?version=0&q=962b42fa-a8c9-af8a-ee85-dd9af9016236

[223] City of Plano Housing Trends Analysis 2018, https://content.civicplus.com/api/assets/e2363f8b-d0b8-411c-8af8-be7d1ae20506?version=0&q=962b42fa-a8c9-af8a-ee85-dd9af9016236

[224] City of Plano Housing Trends Analysis 2018, https://content.civicplus.com/api/assets/e2363f8b-d0b8-411c-8af8-be7d1ae20506?version=0&q=962b42fa-a8c9-af8a-ee85-dd9af9016236

[225] City of Plano Housing Trends Analysis 2018, https://content.civicplus.com/api/assets/e2363f8b-d0b8-411c-8af8-be7d1ae20506?version=0&q=962b42fa-a8c9-af8a-ee85-dd9af9016236

Plano is the location of one Neighborhood Empowerment Zone (NEZ), created in 1999. NEZs are designated as areas of investment, and attempt to promote economic development by "waiving certain development fees for residential and commercial projects."[226] As part of the growth strategy, all development-related fees are waived for constructing or remodeling single and two-family residential and commercial units.[227] The fees are also waived for new multifamily development or redevelopment projects when costs are a "minimum of $8,000 per dwelling unit.[228]

In addition, Plano is home to an Opportunity Zone created in 2018. Opportunity Zones are created and designated by state governors—Plano's was created by Greg Abbott. The program "allows investors to defer capital gains taxes for up to nine years on gains invested in a Qualified Opportunity Fund.[229] In Plano, that Opportunity Zone is the Oak Point community, which is currently being guided by the Envision Oak Point plan for redevelopment.[230] The project also has plans to develop new single and multi-family housing within different parts of the Oak Point area.[231]

The Plano Planning Department has developed a geographic data analysis tool to help them monitor neighborhood trends such as decline. The tool maps aspects of neighborhoods such as market value with respect to AMI, overlaid with code enforcement and property crime, as well as other factors. The tool also helps Plano determine which neighborhoods are "middle." The mapping tool along with other city analyses helps the city target policy in several ways. For example, once an area is identified as low-to-moderate income, appropriate programs can be targeted to it such as the previously mentioned Love Where You Live program.

In discussing the age of housing stock in different neighborhoods the research team identified a novel trend in the development of Plano. Since the majority of development in Plano took place after 1950, definitions of "new" and "old" housing may differ from older cities that have been developing for a century or more. A majority of the middle neighborhoods in Plano have housing stock from the 1970s – older by Plano standards, but relatively recent by the standards of older cities. Plano is currently targeting housing stock that is about thirty years or older with the Great Rebate update program.

One challenge to utilizing these kinds of programs in middle neighborhoods is that residents are often less engaged than their lower income or declining counterparts. Plano's experience has been that when things start to decline in neighborhoods, people tend to be more engaged with neighborhood revitalization and making a change. But in neighborhoods that don't have many visible signs of decline, it is harder to motivate people to get involved with the process. One

[226] Plano, Neighborhood Empowerment Zone, https://www.plano.gov/1911/Neighborhood-Empowerment-Zone
[227] Plano, Neighborhood Empowerment Zone, https://www.plano.gov/1911/Neighborhood-Empowerment-Zone
[228] Plano, Neighborhood Empowerment Zone, https://www.plano.gov/1911/Neighborhood-Empowerment-Zone
[229] Plano Opportunity Zone, https://www.planotexas.org/181/Opportunity-Zone
[230] Plano Opportunity Zone, https://www.planotexas.org/181/Opportunity-Zone
[231] Envision Oak Point Community Vision Map and Plan, https://content.civicplus.com/api/assets/b83941f6-9281-4318-8a52-122bb3406bcb?version=0&q=b1939efd-0812-21b3-3c64-7d82adfe6c2a

approach Plano is considering is neighborhood associations that would function like a voluntary HOA.

Economic Profile

As part of the Comprehensive Plan, Plano will enact policies to revitalize shopping centers. City planners recommend measures such as a reinvestment toolkit for neighborhood retail corners which could include rezoning, fee waivers, or other similar incentives and planning assistance initiatives.[232] The city also is in the process of working with neighborhoods and property owners to identify retail corners that are good candidates for redevelopment and reinvestment as well as attempting to "modify regulations to promote retail center redevelopment inclusive of creative design solutions, active open space, adequate green space, sustainable retail, and walkable streetscapes to create desirable destinations."[233]

Another economic development strategy outlined in Plano's most recent plan includes "reviewing undeveloped land areas within the city to anticipate infrastructure needs required to assist with economic development activities."[234] Plano also plans to engage with business leaders on a regular basis to address specific needs associated with the expansion and retention of new companies.[235] The city plans to designate additional Public Improvement Districts (PID) as well as TIF districts.[236]

As part of downtown Plano revitalization efforts, the downtown Public Improvement District was established in 2014.[237] Since then, goals for downtown economic development have taken the shape of increasing revenue for downtown businesses, highlighting the Downtown Plano Arts District, and enhancing arts programming downtown with financial assistance. In 2017, the Plano City Council voted to renew the Downtown Plano PID for another five years.[238] The 2021 amended plan for the Downtown Plano PID, also features beautification efforts such as landscaping, streetscaping, lighting, and other aesthetic improvement initiatives.[239]

Plano does not seem to have a workforce skills shortage. The city reports that the graduation rate for the city's largest school district in 2014 was 98.2% and that 95% of those graduates went

[232] City of Plano Comprehensive Plan 2021, https://planocompplan.org/DocumentCenter/View/2151/Adopted-Plan?bidId=
[233] City of Plano Comprehensive Plan 2021, https://planocompplan.org/DocumentCenter/View/2151/Adopted-Plan?bidId=
[234] City of Plano Comprehensive Plan 2021, https://planocompplan.org/DocumentCenter/View/2151/Adopted-Plan?bidId=
[235] City of Plano Comprehensive Plan 2021, https://planocompplan.org/DocumentCenter/View/2151/Adopted-Plan?bidId=
[236] City of Plano Comprehensive Plan 2021, https://planocompplan.org/DocumentCenter/View/2151/Adopted-Plan?bidId=
[237] Plano, Neighborhood Empowerment Zone, https://www.plano.gov/1911/Neighborhood-Empowerment-Zone
[238] Plano, Neighborhood Empowerment Zone, https://www.plano.gov/1911/Neighborhood-Empowerment-Zone
[239] Downtown Plano Public Improvement District 2021 Service & Assessment Plan, https://content.civicplus.com/api/assets/c6e71cca-3902-4683-b09a-9dc2028eae4d?cache=1800

on to attend college.[240] There are 25 colleges and universities in the Dallas-Fort Worth region with over 150,000 students attending four-year colleges and around 180,000 attending community colleges at any given time.[241] In addition, there are workforce development programs set up through Plano organizations such as the Plano Chamber of Commerce.

Other workforce development actions described in the Plano Comprehensive Plan include: creation of a partnership involving executive leadership from the city, local education services, and businesses in order to provide data and analysis for community issues impacting workforce development; development of an annual report on the city's workforce strengths and challenges; and support for programs at local colleges that equip city residents with the skills sought by local employers.[242]

---

[240] City of Plano Comprehensive Plan 2021, https://planocompplan.org/DocumentCenter/View/2151/Adopted-Plan?bidId=

[241] City of Plano Comprehensive Plan 2021, https://planocompplan.org/DocumentCenter/View/2151/Adopted-Plan?bidId=

[242] City of Plano Comprehensive Plan 2021, https://planocompplan.org/DocumentCenter/View/2151/Adopted-Plan?bidId=

Case Study: Old Brooklyn Neighborhood in Cleveland, OH

Neighborhood Description

With 32,000 residents, Old Brooklyn is Cleveland's largest neighborhood. Old Brooklyn has historically been a working-class neighborhood of white immigrants, which is now the fastest-growing place for African Americans in Cleveland and the fastest-growing community for Hispanics in Northeast Ohio.[243] The residents are estimated to be 59.6% White, 16.1% Hispanic or Latino, 9.7% Black, and 3.9% Asian.[244] The largest age bracket is 25 and 44 years old.

Figure 1. Old Brooklyn Housing Profile

Source: U.S. Census Bureau. ACS 5-Year estimates (2016-2020)

There are 8,475 people employed in Old Brooklyn of which 6.3% (538 people) both live and work in the neighborhood.[245] The workforce of Old Brooklyn is employed primarily in *Public Administration* (19.2%), *Wholesale Trade* (14.2%), and *Accommodation and Food Services* (10.1%). The population mostly holds white-collar jobs (56%).

Educational attainment statistics show that the population is more "educated" in Old Brooklyn compared to the City of Cleveland, with 21% holding a bachelor's degree and 34% having a high school diploma. Moreover, the $40,700, median income in Old Brooklyn is 30% higher than the rest of the city.

Currently the home owner occupancy rate stands at 57%, with a vacancy rate of 9%. With a Median Home Value of $86,000 and the younger population seeking out the neighborhood, Old Brooklyn has become a supplier of starter homes in the city.

Community Development Corporations (CDCs) have the mission of supporting the neighborhoods they are affiliated with, with programs to promote affordable housing, economic development, safety and other social services. Cleveland is a unique case with 25

Figure 2. Old Brooklyn Education Attainment
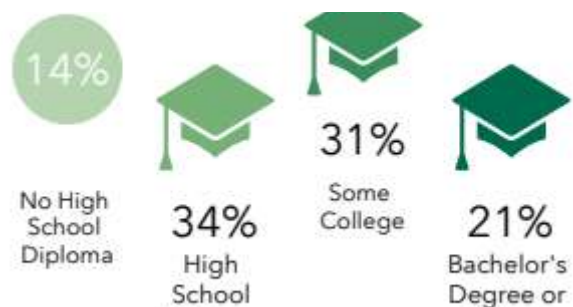
Source: U.S. Census Bureau. ACS 5-Year estimates (2016-2020)

---

[243] Community Health Needs Assessment (CHNA) (2018). Health in Action: Building a Culture of Community Health in Cleveland . Old Brooklyn CDC.

[244] U.S. Census Bureau. ACS 5-Year estimates (2016-2020)

[245] U.S. Census Bureau. (2023). LEHD Origin-Destination Employment Statistics (2002-2019). Washington, DC: U.S. Census Bureau, Longitudinal-Employer Household Dynamics Program.

CDCs currently operating in the city. Old Brooklyn operates under the umbrella of Old Brooklyn CDC (OBCDC) which has been operating since 1974.[246]

Economic Profile

A primary goal of economic and community development in Old Brooklyn focuses on community revitalization. For example, OBCDC and the City of Cleveland collaborated to convert Henninger Landfill into what is now Brighton Park. The Henninger Landfill was a construction and demolition debris landfill in the Old Brooklyn neighborhood that closed in the 1980s.[247] In a partnership between the Western Reserve Land Conservancy and OBCDC, it was transformed into Brighton Park, which opened in June 2021.[248]

Revitalization is also critical for the intersection of Memphis and Pearl, which should welcome people into Old Brooklyn, but complications and vacancies have left it in poor shape. In 2020, the firm Arch Office was contracted to collaborate in plans to redevelop the Memphis and Pearl corridor in Old Brooklyn. The Arch Office describes the intersection as the equivalent of "Main and Main," and has taken careful consideration of how it can be redeveloped to meet the community's current needs.[249] As the Arch Office explains, several lots in the area have become "disjointed and underutilized over time."[250] The lots in question have historically been home to two church congregations. St. Luke's, which closed in 2010, and the Pearl Road United Methodist Church. Currently, the vacant lot is used as a place for events like the local summer farmer's market.[251] After being abandoned, the OBCDC officially took possession of St. Luke's in 2020.[252]

As of this writing, it is unclear when this redevelopment project will move ahead. Arch Office seems to have completed a plan, but the OBCDC reports that as of May 2022, the Ohio Housing Finance Agency has decided not to award tax credits to the proposed project.[253] While the failure to win tax credits is a setback, the organization still plans to move forward with development of

---

[246] https://www.oldbrooklyn.com/obcdc

[247] Brighton Park: From Landfill to Landmark, Western Reserve Land Conservancy, https://www.wrlandconservancy.org/whatwedo/advocacy-and-research/brighton-park/

[248] Brighton Park: From Landfill to Landmark, Western Reserve Land Conservancy, https://www.wrlandconservancy.org/whatwedo/advocacy-and-research/brighton-park/

[249] Old Brooklyn Peal and Memphis Master Plan, The Arch Office, https://www.thearchoffice.com/projects/old-brooklyn-pearl-and-memphis-master-plan/

[250] Old Brooklyn Peal and Memphis Master Plan, The Arch Office, https://www.thearchoffice.com/projects/old-brooklyn-pearl-and-memphis-master-plan/

[251] Old Brooklyn Peal and Memphis Master Plan, The Arch Office, https://www.thearchoffice.com/projects/old-brooklyn-pearl-and-memphis-master-plan/

[252] Planning the Future of Pearl and Memphis, OBDCD, https://www.oldbrooklyn.com/stories-blog/planning-the-future-of-pearl-amp-memphis

[253] Old Brooklyn Remains Committed to the Revitalization of Memphis & Pearl, https://www.oldbrooklyn.com/stories-blog/old-brooklyn-remains-committed-to-revitalization-of-memphis-amp-pearl

the area. OBCDC remains committed to the project, stating "…it does not affect our commitment to fostering a vibrant future for the dilapidated Memphis & Pearl property."[254]

Other efforts to reinvigorate the Old Brooklyn community include the establishment of a small business grants program in response to the COVID crisis, awarding over $15,000 to more than 30 businesses.[255] Additionally, the Old Brooklyn Farmers Market has been a fixture of the community, brought about in part by OBCDC. Other initiatives include a campaign to beautify the neighborhood through the "community ambassadors program."[256]

In addition to revitalization of the business corridor, the City of Cleveland is crafting a 100% tax abatement policy to encourage home renovation in areas considered "middle markets" of the city—which includes Old Brooklyn.[257] However, part of the policy allows for only 85% abatement for renovations of single-family homes in areas of the city considered "hot" markets.[258] Old Brooklyn may be considered one of these hot markets, which has the potential for "disincentivizing investment in those middle neighborhoods."[259] Other changes by the committee included a ban on abatements for homes used as AirBnbs or other short-term rentals, which means the city could revoke abatements on these homes if they are used for these purposes.[260]

---

[254] Old Brooklyn Remains Committed to the Revitalization of Memphis & Pearl, https://www.oldbrooklyn.com/stories-blog/old-brooklyn-remains-committed-to-revitalization-of-memphis-amp-pearl

[255] Old Brooklyn Community Development Corporation 2020 Annual Report, https://static1.squarespace.com/static/604bba2c3ac03977410c9687/t/6062911a4bdc40469f73ba73/1617072410430/Annual+Report+2020.pdf

[256] Old Brooklyn Community Development Corporation 2020 Annual Report, https://static1.squarespace.com/static/604bba2c3ac03977410c9687/t/6062911a4bdc40469f73ba73/1617072410430/Annual+Report+2020.pdf

[257] Cleveland City Council's changes to residential tax abatement plan aim to encourage more home renovation, https://www.cleveland.com/news/2022/05/cleveland-city-councils-changes-to-residential-tax-abatement-plan-aim-to-encourage-more-home-renovation.html

[258] Cleveland City Council's changes to residential tax abatement plan aim to encourage more home renovation, https://www.cleveland.com/news/2022/05/cleveland-city-councils-changes-to-residential-tax-abatement-plan-aim-to-encourage-more-home-renovation.html

[259] Cleveland City Council's changes to residential tax abatement plan aim to encourage more home renovation, https://www.cleveland.com/news/2022/05/cleveland-city-councils-changes-to-residential-tax-abatement-plan-aim-to-encourage-more-home-renovation.html

[260] Cleveland City Council's changes to residential tax abatement plan aim to encourage more home renovation, https://www.cleveland.com/news/2022/05/cleveland-city-councils-changes-to-residential-tax-abatement-plan-aim-to-encourage-more-home-renovation.html

Community Health

In 2018, OBCDC conducted a Community Health Needs Assessment (CHNA) using two cross-sectional survey instruments which were designed for the study: one for adults and one for youth.[261] In their report on the study, they note that "For most of OBCDC's history, we followed the traditional community development capacities: residential, low-income housing development, small business support, and a block club model of community engagement… the result was a system that focused on place, but it was a system without consideration for how place impacts the health of its people."[262] This realization facilitated the adoption of Old Brooklyn 2020, a five-year strategic plan guiding OBCDC to a new paradigm of public health.[263]

Preliminary research found that large-scale health providers and government entities are the primary groups trying to address social determinants of health using a top-down approach that focuses on patients or populations. However, this approach limits their ability to create targeted interventions for communities. To begin to address these needs, OBCDC hired a community health fellow, established an advisory committee to develop the CHNA, launched the CHNA with eight areas of focus, conducted data analysis on the results and developed a road map for decreasing barriers to healthy outcomes.[264] The CHNA identified the following eight social determinants of health:

- Cultural diversity and awareness
- Community engagement and social connectivity
- Neighborhood health resources
- Neighborhood resource use (greenspace)
- Quality of life and chronic disease
- Environmental risk factors (food accessibility, housing, and safety)
- Behavioral risk factors
- Child health

Of the Old Brooklyn residents that took part in the assessment, 17% reported reliance on SNAP compared to the rate of 34.5% in Cleveland and 13% overall US rate.[265] Moreover, 20% of

---

[261] Health in Action: Building a Culture of Community Health in Cleveland. Old Brooklyn CDC, https://static1.squarespace.com/static/604bba2c3ac03977410c9687/t/606297e46c2def504280bf08/1617074168 384/CHNA+Report_08-24-18_FINAL_V1.pdf

[262] Health in Action: Building a Culture of Community Health in Cleveland. Old Brooklyn CDC, https://static1.squarespace.com/static/604bba2c3ac03977410c9687/t/606297e46c2def504280bf08/1617074168 384/CHNA+Report_08-24-18_FINAL_V1.pdf

[263] Health in Action: Building a Culture of Community Health in Cleveland. Old Brooklyn CDC, https://static1.squarespace.com/static/604bba2c3ac03977410c9687/t/606297e46c2def504280bf08/1617074168 384/CHNA+Report_08-24-18_FINAL_V1.pdf

[264] Health in Action: Building a Culture of Community Health in Cleveland. Old Brooklyn CDC, https://static1.squarespace.com/static/604bba2c3ac03977410c9687/t/606297e46c2def504280bf08/1617074168 384/CHNA+Report_08-24-18_FINAL_V1.pdf

[265] Health in Action: Building a Culture of Community Health in Cleveland. Old Brooklyn CDC, https://static1.squarespace.com/static/604bba2c3ac03977410c9687/t/606297e46c2def504280bf08/1617074168 384/CHNA+Report_08-24-18_FINAL_V1.pdf

respondents reported having to choose between food and housing, and 16.7% report having to choose between food and clothes.[266] As far as food access, the average time for respondents to walk to a grocery store was 89 minutes and average drive time reported was 10.6 minutes.[267]

The ability to run, walk, or bike in a community while feeling safe is also a factor the CHNA found to influence community health. 75% of respondents reported feeling safe running or walking in their neighborhood and 74.3% reported feeling safe riding a bike in the neighborhood.[268] Additionally, although Old Brooklyn has several parks and 41.7% of respondents reported that they use at least one Old Brooklyn park, there is a "greenspace desert" in the middle of the area.[269]

The study also considered direct measures of physical health. 25.3% of CHNA respondents reported poor to fair overall health compared to the overall Cleveland rate of 28.8% and the U.S. rate of 16.4%.[270] The leading health issues reported in Old Brooklyn are elevated BMI (42.9%), followed by hypertension (32.3%) and arthritis (32.9%).[271]

Mental health was also measured. 14.5% of CHNA respondents reported that their mental health was not good for more than 14 out of the last 30 days—considerably lower than the U.S. average of 34.4%, but not far off from the overall Cleveland average of 16.7%.[272] However, despite the low rate of poor mental health, over 50% of survey respondents said they did not know where they could receive social or emotional report resources in Old Brooklyn.[273]

---

[266] Health in Action: Building a Culture of Community Health in Cleveland. Old Brooklyn CDC, https://static1.squarespace.com/static/604bba2c3ac03977410c9687/t/606297e46c2def504280bf08/1617074168384/CHNA+Report_08-24-18_FINAL_V1.pdf
[267] Health in Action: Building a Culture of Community Health in Cleveland. Old Brooklyn CDC, https://static1.squarespace.com/static/604bba2c3ac03977410c9687/t/606297e46c2def504280bf08/1617074168384/CHNA+Report_08-24-18_FINAL_V1.pdf
[268] Health in Action: Building a Culture of Community Health in Cleveland. Old Brooklyn CDC, https://static1.squarespace.com/static/604bba2c3ac03977410c9687/t/606297e46c2def504280bf08/1617074168384/CHNA+Report_08-24-18_FINAL_V1.pdf
[269] Health in Action: Building a Culture of Community Health in Cleveland. Old Brooklyn CDC, https://static1.squarespace.com/static/604bba2c3ac03977410c9687/t/606297e46c2def504280bf08/1617074168384/CHNA+Report_08-24-18_FINAL_V1.pdf
[270] Health in Action: Building a Culture of Community Health in Cleveland. Old Brooklyn CDC, https://static1.squarespace.com/static/604bba2c3ac03977410c9687/t/606297e46c2def504280bf08/1617074168384/CHNA+Report_08-24-18_FINAL_V1.pdf
[271] Health in Action: Building a Culture of Community Health in Cleveland. Old Brooklyn CDC, https://static1.squarespace.com/static/604bba2c3ac03977410c9687/t/606297e46c2def504280bf08/1617074168384/CHNA+Report_08-24-18_FINAL_V1.pdf
[272] Health in Action: Building a Culture of Community Health in Cleveland. Old Brooklyn CDC, https://static1.squarespace.com/static/604bba2c3ac03977410c9687/t/606297e46c2def504280bf08/1617074168384/CHNA+Report_08-24-18_FINAL_V1.pdf
[273] Health in Action: Building a Culture of Community Health in Cleveland. Old Brooklyn CDC, https://static1.squarespace.com/static/604bba2c3ac03977410c9687/t/606297e46c2def504280bf08/1617074168384/CHNA+Report_08-24-18_FINAL_V1.pdf

Policy and Program Highlights

In addition to neighborhood case studies, the researchers examined policies that support middle neighborhoods and the mechanisms that fund them. The team gathered information from public data sources, websites, program information documents, and interviews with key informants within the organization. These programmatic examples underscore the existing work occurring in middle neighborhoods, provide real-world models for practitioners, and forge connections among the community of practice.

Invest DSM

Invest DSM is a recently created non-profit in Des Moines, Iowa that focuses on stabilizing middle neighborhoods utilizing a lens of "housing as infrastructure." Invest DSM was chosen because of its unique and effective programs for improving and stabilizing middle neighborhoods, as well as its distinctive flexible funding structure. While other city organizations continue to focus on low-income and poverty-stricken neighborhoods, Invest DSM helps stabilize middle neighborhoods in order to build on points of strength.

Strategies

Invest DSM approaches neighborhood revitalization differently; instead of stretching dollars thin by working in many low-income neighborhoods, it started small and invested in housing as infrastructure to keep middle neighborhoods from falling into decline. Invest DSM's work is not meant to replace more traditional approaches of focusing on low-income areas, but rather to supplement them. Invest DSM "didn't want to take money away from those low-income communities," rather it sought to "keep those dollars working in the way they're intended to, but… find new resources for what [it wants] to do" in middle neighborhoods.

Invest DSM's approach is to match the resources they have with the scale of the places they are where they are working. Currently, they work with four neighborhoods, two with around a thousand houses and two with four-to-five hundred, and they often work within only small portions of those neighborhoods. Once one block becomes strong, they can move on and start on another. Although community development often prioritized areas that are most disinvested first, Invest DSM builds on "points of strength" and "blocks that are the strongest." These regions "can become the demonstration project" that furthers "the idea that 'this could be my block too,' especially when there are incentives to invest."

Approaching middle neighborhoods from an economic development angle may not be as conventional as other methods, but it is working. For instance, in the healthiest neighborhood Invest DSM has helped, there has been much interest in home improvement programs. At this point, the nonprofit has assisted approximately 20% of the residential properties in that neighborhood. However, Invest DSM dollars average only one-third of total project costs in the area; homeowners are putting in two-thirds themselves. This situation has a positive effect on the neighborhood as a whole because "people are stewards of houses, but the homes stay in the

community when people leave; the way the properties are maintained and cared for has an impact that affects lots of other things in the community."

Funding

One unique aspect of Invest DSM's funding is that it can be directed to any project that the executive director deems appropriate. This allows Invest DSM to adjust its funding priorities as they see fit. Invest DSM is described as a 'government non-profit start-up.' It was created and funded through a Chapter 28E agreement, which is a three-party contract between Invest DSM, the city of Des Moines, and Polk County. The agreement stipulates that only 10% of the funding provided by the city and county can be used to pay operating expenses, but beyond that, the uses are largely at the discretion of Invest DSM. The funds can only be used for projects within the Special Investment Districts which are designated by the Des Moines City Council. Within those districts, however, the funds can be used for whatever Invest DSM needs. The flexibility of this mechanism is a major strength that traditional funding options typically lack, especially with grant funding that has specific use restrictions.

Programs

Special Investment Districts

Invest DSM programs are mainly focused on what they refer to as Special Investment Districts (SIDs): areas in Des Moines where a "unique combination of public and private resources [is] being focused to strengthen middle market neighborhoods." The focus began in 2018 after an evaluation of the city's housing markets and neighborhood revitalization programs. Invest DSM states that "the evaluation found that most neighborhoods in Des Moines are struggling to compete in the regional housing market and that existing programs in middle neighborhoods have not been concentrated enough to substantially boost homeowner confidence and private investment."

Block Challenge Grant Program

The Block Challenge Grant Program incentivizes neighbors to work together on exterior improvements; groups of at least five neighbors within a visible distance of one another's front doors have to apply together. Participants are eligible for matching funds up to $1,000 or $2,500 depending on the size of the applicant team. The program distributes a dollar-for-dollar match, up to the maximum amount.

Homeowner Renovation Program

This program is designed to help homeowners invest in their homes "through renovation projects that improve curb appeal, functionality, and marketability of their homes by offering a financial partnership in the form of forgivable loans/grants." It is offered on a rolling basis.

Single Family Developer Program

This program is designed to encourage investor-developers within SIDs to make "above market investment in properties that improve the desirability of the neighborhood."

Commercial/Business Program

This program provides financial incentives to encourage existing or new commercial property owners within SIDs to invest in properties in order to improve the appearance, marketability, functionality, and the desirability of the commercial area.

Rental Rehab Program

This program provides financial incentives to encourage rental property owners within SIDs to make investments in rental properties within 10 or fewer units that improve the overall quality of the rental property.

Cleveland Heights Home Repair Resource Center

One theme that emerged from this middle neighborhood research is that "housing is infrastructure." Maintaining housing is important not just for the people who live in a particular home, but for communities. Moreover, when individual homes start to decline, leading to neighborhood decline, cities can lose valuable tax revenue. Getting to home repair early and identifying when it needs to be done is key. Yet often, home repair programs focus on an immediate or emergency need. The Cleveland Heights Home Repair Resource Center (HRRC), however, has taken a more proactive approach. HRRC is a non-profit that offers a number of programs and tools to empower and assist homeowners such as repair classes, educational resources, a tool library, and financial assistance in the form of loan and grant programs.

One goal of the HRRC is to fill a gap in services. Home repair is a common need for home owners, but resources are often limited to those who are income eligible. Paradoxically, most people who are income eligible are not making enough money to own a home. This circumstance "isolates a whole chunk of people, especially in middle neighborhoods." HRRC's Challenge Fund program, on the other hand, has no income limits and the maximum loan is $5,000. The program can guarantee a bank loan on home repairs for homeowners who can "afford a monthly payment but aren't able to qualify for bank financing because of past credit problems, not enough equity in the house, too much debt, or other reasons." While the program seeks to assist both income eligible and non-income eligible homeowners with home repair, it also requires that these individuals "put some skin in the game" themselves. This balance involves calculating what is a sustainable amount for the homeowner to invest and for the program to invest to achieve a lasting and complete repair.

Another important aspect of home repair is the gray space between repair and home improvement. For example, many middle neighborhoods contain a significant population of aging residents. If those residents want to stay in place, they may need to make their homes more accessible by adding a first-floor bathroom, widening doorways, or putting railings on stairs. HRRC can also help residents prioritize home improvement projects and provide education about preventative work that can save a home from deterioration. These improvements also keep housing stock desirable to potential buyers.

Creating programs that are not income-based can be a vital part of helping and encouraging people in middle neighborhoods to invest in their homes and neighborhoods. That is one reason why practitioners can take inspiration from the HRRC programs. Such programs help ensure that middle neighborhood residents are not left in a gray area without any help.

Cleveland Neighborhood Progress

Cleveland Neighborhood Progress (CNP) was founded in 1988 by "philanthropic, civic, and corporate leaders" and is one of the only agencies of its kind in the region. It works with CDCs, local foundations, the business community, and government entities to coordinate targeted programming in neighborhoods throughout Cleveland. CNP's mission is to "Foster equitable revitalization throughout Cleveland's neighborhoods by strengthening the community development ecosystem." The research team took an in-depth look at how CNP directs programming and its approach of targeting micro-geographies.

CNP has honed its approach of focusing efforts on small areas within neighborhoods including vital commercial corridors or engaged parts of communities with a "build from strength mindset." The goal of these efforts is for the non-profit to catalyze a private market and regulate that market to ensure that it is "equitable and good for everyone."

CNP recognizes that the built environment is key to building a true community within a neighborhood. That is, different people are attracted to a neighborhood for a variety of reasons: the schools, the restaurants, the parks, and so on. It is important to cultivate many of these amenities at once to create a space with the potential to be a lasting community. The organization sees the role of a nonprofit as jumpstarting an area with key community development interventions until it hits a tipping point and the private market can takeover (and then regulating said private market to ensure it remains equitable and positive for everyone.)

An entire neighborhood is too big a geographic unit for such an intensive multi-pronged investment initiative, hence the reason for CNP's focus on micro-geographies. For example, CNP might focus on a micro-corridor and "hit it with everything," such as a beautification project, small business grant, pop-up event, and so on. By helping these first investments take root, they can set the stage for a community to hit a critical mass of amenities in one small area to make it a self-perpetuating anchor within a Middle Neighborhood.

Two examples showcase successful use of the micro-geography investment approach. In Baltimore, a grant from Healthy Neighborhoods, Inc. allowed for investment work on a street-

by-street basis. They welcomed grant applications from the community, with the stipulation that each project had to have a certain number of applicants and all properties involved had to be visible from the others' front yards. The funding yielded neighborhood beautification projects such as painting the front façade of a group of row houses, which signals to the market that residents are investing in the homes there and also builds community ties by helping neighborhoods get to know each other better.

In the Old Brooklyn community in Cleveland, the South Hills neighborhood provides another success story for investing in micro-geographies. South Hills was a micro targeted area where engaged residents and an active block club came together to apply for a grant to fund neighborhood beautification and traffic calming. In this case, a relatively small investment ($10,000 from the Cleveland Foundation) concentrated in a small area was able to yield a high impact by enabling small but meaningful beautification and home improvement initiatives, which CNP believes led to more homes purchased by people rather than bulk-buyers. The grants also brought together residents who were so grateful and motivated by the collaboration that they took on further community development initiatives themselves, such as sitting down with their councilperson to fixed a safety issue with a crosswalk. Such a result indicates the advantages of cultivating and relying on empowered residents to continue neighborhood improvement in Middle Neighborhoods.

This approach of focusing on micro-geographies can be limited by city- or state- level policies. For instance, conflict can occur between a progressive city and a conservative state legislature. Still, while a nonprofit might not be able to control infrastructure like the expansion of public transit or installation of crosswalks, there are still opportunities for investment that improve housing and generate community pride. CNP also recognizes the challenges that rampant investor buying poses to maintaining the integrity of Middle Neighborhoods as places that are affordable but still offer high-quality amenities because they are dense and walkable.

Policy Recommendations and Best Practices

Preface

This project was conceived and designed in the earliest days of the COVID-19 pandemic. At that time no one could estimate the full impacts that this would have both globally, and at the neighborhood level. Nor could the research team have predicted the duration of shut-downs, closures, and shift to remote work that resulted and their impacts on the housing market. Innumerable articles have been written and attempted to document the physical shift in live-work that has taken place and continues to shape communities across the nation. Some of what is uncovered in this report is a result of these pandemic-related shifts.

Middle Neighborhood Policies & Best Practices

The original project design included the objective to establish benchmarks and metrics for measurement of improvement in middle neighborhoods. As the pandemic took hold, forcing more people to spend time at home, create new spaces for working from home, and spending significantly more time in their neighborhoods, unprecedented and unforeseen dynamics played out in the housing market across the country.

While the Federal Reserve notes that these changes have created an estimated "$9 trillion in owner occupied housing wealth between the first quarter of 2020 and the first quarter of 2022" this wealth creation was not distributed evenly among homeowners during this time as increased home values priced many first time and would be homebuyers out of the housing market[274].

The drastic economic, employment and social changes brought on by the pandemic have made establishing baseline benchmarks for middle neighborhoods unreasonable. The research team recommends establishing a new post-pandemic baseline year, re-examining middle neighborhood trends and subsequently setting benchmarks thereafter.

Rapid Change in Housing Dynamics During the Pandemic Leads to Two Principal Policy Recommendations and Areas of Focus

Although many cities and neighborhoods that were examined in this project have been using or planning to introduce creative new policies to stabilize middle neighborhoods, the rapid change in the dynamics of the housing market during the COVID pandemic has made it difficult to gauge any impact. With drastic increases in home values in cities all over the country, as well as a large increase in investment buyers, it has been difficult to tell how or when things will stabilize in many cities. In project case study areas, markets have experienced home value increases greater than 50% since January 2020 according to the latest Zillow Home Index, which is a "smoothed, seasonally adjusted measure of the typical home value and market changes across a given region and housing type. It reflects the typical value for homes in the 35th to 65th percentile range."[275]

The information below outlines the increase in home values across the project's six case study communities:

- South Milwaukee has seen a 1-year home value increase of 5.6% and a 38% increase since January 2020 with a current typical home value of $226,096.[276]
- Charlotte has seen a 1-year home value increase of 20.8% and a 58% increase since January 2020 with a current typical home value of $400, 662.[277]
- Plano has seen a 1-year home value increase of 19.9% and a 54.6% increase since January 2020 with a current typical home value of $530, 247.[278]

---

[274] House Price Growth and Inflation During COVID-19, Fed Notes, Federal Reserve Board, November 17, 2022, https://www.federalreserve.gov/econres/notes/feds-notes/house-price-growth-and-inflation-during-covid-19-20221117.html

[275] Zillow Housing Data, Home Values, https://www.zillow.com/research/data/

[276] South Milwaukee Home Values, Zillow, https://www.zillow.com/home-values/34057/south-milwaukee-wi/

[277] Charlotte Home Values, Zillow, https://www.zillow.com/home-values/24043/charlotte-nc/

[278] Plano Home Values, Zillow, https://www.zillow.com/home-values/53915/plano-tx/

- Cleveland has seen a 1-year home value increase of 12.7% and a 59.98% increase since January 2020 with a current typical home value of $111, 542.[279]
- Lakewood, Colorado has seen a 1-year value increase of 10% and a 41.63% increase since January 2020 with a current typical home value of $620, 391.[280]
- Chicago has seen a 1-year value increase of 6.6% and a 21.24% increase since January 2020 with a current typical home value of $315, 429.[281]

Though housing price increases generated housing-related wealth, the Federal Reserve also notes that these changes resulted in being an "important contributor to inflation during the pandemic"[282]. As the Fed raised interest rates, average mortgage rates began to increase, further inhibiting the possibility of homeownership for prospective buyers. NPR reports that that as of October 2022, the weekly average for a 30-year fixed rate loan is now 6.92% which is the highest in 20 years.[283] This development has slowed home buying, at least for families and non-investor buyers. Daryl Fairweather, chief economist at Redfin, predicts home prices will be flat next year, to the disappointment of many prospective homebuyers banking on values decreasing a bit from the massive ballooning they have seen over the course of the pandemic.[284]

Though the Great Recession and foreclosure crisis seemingly ended a decade ago, lingering consequences and housing policy shortcomings from that time have exacerbated the impacts of pandemic conditions and inflation. The research team heard this association in interviews with the case study communities as well as references made in the media. NPR reports that the "biggest factor propping up prices is a shortage of homes that goes back to the last housing crash."[285] Home builders lost money and the pace of homes being built since the Great Recession has not been on par with demand; therefore, the market remains tight.[286]

A residual housing disruption from the Great Recession is the proliferation of investor-owned properties. According to the Washington post, in 2021 alone, investors bought one in seven homes throughout America's top metro areas, the most in at least two decades.[287] In a trend

[279] Cleveland Home Values, Zillow, https://www.zillow.com/home-values/24115/cleveland-oh/

[280] Lakewood Home Values, Zillow, https://www.zillow.com/home-values/5519/lakewood-co/

[281] Chicago Home Values, Zillow, https://www.zillow.com/home-values/17426/chicago-il/

[282] House Price Growth and Inflation During COVID-19, FedNotes,Federal Reserve Board, November 17, 2022,https://www.federalreserve.gov/econres/notes/feds-notes/house-price-growth-and-inflation-during-covid-19-20221117.html

[283] With mortgage rates near 7%, the housing party is over. Now it's hangover time, NPR, https://www.npr.org/2022/10/12/1128139117/mortgages-housing-prices-hangover-party-rates

[284] With mortgage rates near 7%, the housing party is over. Now it's hangover time, NPR, https://www.npr.org/2022/10/12/1128139117/mortgages-housing-prices-hangover-party-rates

[285] With mortgage rates near 7%, the housing party is over. Now it's hangover time, NPR, https://www.npr.org/2022/10/12/1128139117/mortgages-housing-prices-hangover-party-rates

[286] With mortgage rates near 7%, the housing party is over. Now it's hangover time, NPR, https://www.npr.org/2022/10/12/1128139117/mortgages-housing-prices-hangover-party-rates

[287] Investors bought a record share of homes in 2021. See where. The Washington Post, https://www.washingtonpost.com/business/interactive/2022/housing-market-investors/

echoing the Great Recession, investors have been especially aggressive with their buying in majority Black neighborhoods.[288]

Pandemic related housing disruptions resulted in an ever more attractive environment for investor purchases of single-family homes. Not only did this contribute to housing price increases, but in some neighborhoods and housing markets, it effectively drove out prospective homebuyers with all-cash deals, the waiving of home inspections and contingencies, and offers over asking price.

This is particularly alarming when the trends of corporate and investor landlord behavior are highlighted. Shelterforce recently reported on an investigation by a United State House of Representatives subcommittee, which stated that "…despite the COVID-19 eviction moratorium, corporate landlords still evicted tenants and did so at three times the rates previously recorded in public data. Additionally, even though rents were already rising, tenants of corporate landlords frequently faced even higher rent hikes."[289]

The pandemic also influenced other practices that affected the housing market. Homebuyers made semi-permanent choices about where to purchase and/or live during the temporary set of circumstances that the pandemic created. Endless news stories were written about a paradigm shift which enabled workers to live at considerably increased the distances from their employers and offices. Some workers even moved to entirely different states from their employers or chose to be 'digital nomads.' People moved to suburban and exurban communities from urban cores, such as San Francisco, which emptied of both residents and workers. This produced sudden housing pressures in communities that had previously not been as desirable due to distance from job centers.

Given these circumstances, the research team identified the following approaches.

Identify, Monitor, and Track:
What is a middle neighborhood? Existing literature does not provide a narrow definition on the specific metrics or characteristics that make a place middle, and local and regional contexts contribute heavily to overarching neighborhood and economic characteristics. A 2022 report that examined cities in the American Southwest stated, "Middle neighborhoods – the neighborhoods of our towns and cities where middle income people live – have been and continue to be the backbone of our communities.[290]" The neighborhood typology developed in this research study was intended to identify middle neighborhoods as a distinct neighborhood type. The factor analysis did not reveal any standalone middle neighborhood type. Because middle

---

[288] Investors bought a record share of homes in 2021. See where. The Washington Post, https://www.washingtonpost.com/business/interactive/2022/housing-market-investors/
[289] Corporate Landlords Profit from Segregation, at Cost of Black Homeownership and Wealth, Shelterforce, https://shelterforce.org/2022/10/19/corporate-landlords-profit-from-segregation-at-cost-of-black-homeownership-and-wealth/
[290] Mallach, A., & Nedland, M. (2022). Middle Neighborhoods in the Desert Southwest: A First Look. Neighborworks America. https://www.neighborworks.org/research/middle-neighborhoods-in-the-desert-southwest

neighborhoods did not emerge directly from the typology, it became apparent that middle neighborhoods are more complex and complicated than researchers initially thought. This makes identifying them even more important if practitioners and policymakers intend to address the potential of these neighborhoods.

This research furthers the work in identifying and defining middle neighborhoods by: 1) incorporating people- and place-based dimensions of neighborhoods beyond middle income and 2) expanding the geographical focus on middle neighborhoods outside of the traditional northeast and legacy city places. However, the creation of the typology was an exploratory effort, and further analysis and research that examines neighborhood change over time and incorporates regional and local dynamics should be conducted.

The City of Plano currently conducts a housing value retention analysis and has a neighborhood typology. These tools are great starting points for cities or Community Development Corporations (CDCs) to determine the specific needs of individual neighborhoods and the overall situation throughout their coverage area. Other communities examined in this research are also using neighborhood-level data to inform program development, funding allocations, and policy responses in middle neighborhoods. Data and information are powerful tools communities can use to inform decisions made around middle neighborhoods. The collection and maintenance of data for a community requires substantial investment and effort but is crucial for supporting these communities.

Communities must respond to ongoing changes and trends. Utilizing the recommendation of establishing data tools, communities must undertake regular monitoring of the dynamics of changing housing markets, shifting demographics, and economic changes. Many neighborhoods in Charlotte, including Idlewild, are victims of the local housing market's unabated upward trajectory. Monitoring allows a proactive response to external pressures, rather than a reactive response once neighborhoods have passed a tipping point. This creates a policy environment of mitigating change to protect vulnerable places.

Address Skyrocketing Investor-Owned Properties:

Fostering stable homeownership in middle neighborhoods must be a key part of any community's strategy to support and stabilize middle neighborhoods. In the years prior to the pandemic, and to a good degree still today, that would have meant creating or expanding housing support systems for homebuyers with programs such as first-time homebuyer counseling and ensuring access to capital by partnering with local banks and lenders. However, the rapid emergence of investors as single-family homebuyers has made addressing this principal issue paramount for middle neighborhoods across the country. CoreLogic reporting that investors bought a record high 28 percent of all single-family homes in the first quarter of 2022.[291]

---

[291] Single-Family Investor Activity Bounces Back in the First Quarter of 2022, CoreLogic, https://www.corelogic.com/intelligence/single-family-investor-activity-bounces-back-in-the-first-quarter-of-2022/

Beyond this, studies show that corporate landlords evict tenants at a much richer rate than smaller landlords and often resist requests for maintenance.[292] While the recent explosion of investor buyers nationwide might be a new trend, their activity in Black neighborhoods is not. Housing scholar Christine Jang-Trettien points out that homes in undervalued Black neighborhoods have been purchased by these types of entities on a mass scale for decades.[293]

Now that investor buying is accelerating, investor buyers and corporate landlords are purchasing homes in middle-class Black neighborhoods too. As Shelterforce reports, "They are buying homes historically devalued because of their location in Black neighborhoods, gobbling them up with little competition due to racial discrepancies in home lending and appraisals and wealth-based inequalities fueled by the massive racial homeownership gap. Their business model is both enabled by segregation and will continue to exploit housing market inequalities without segregation's redress."[294]

Figure 5: Investor by Share of Purchased Homes
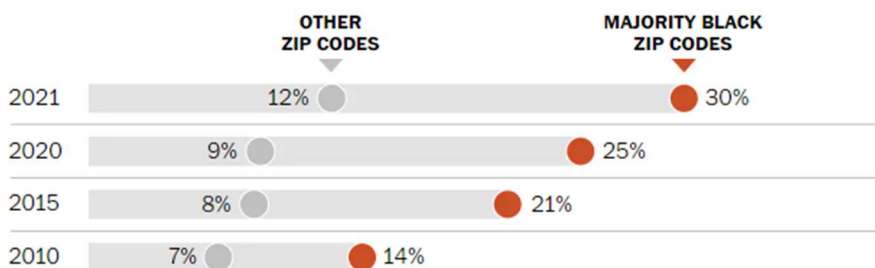
Investor Neighborhood Demographics via Washington Post, https://www.washingtonpost.com/business/interactive/2022/housing-market-investors/

However, investor activity has not been the same across the country. Regions with some of the highest share of investor purchases are the south and southwest.[295] Charlotte, North Carolina, for example, saw a quarter of all home purchases made by investor buyers.[296]

---

[292] Corporate Landlords Profit from Segregation, at Cost of Black Homeownership and Wealth, Shelterforce, https://shelterforce.org/2022/10/19/corporate-landlords-profit-from-segregation-at-cost-of-black-homeownership-and-wealth/

[293] Corporate Landlords Profit from Segregation, at Cost of Black Homeownership and Wealth, Shelterforce, https://shelterforce.org/2022/10/19/corporate-landlords-profit-from-segregation-at-cost-of-black-homeownership-and-wealth/

[294] Corporate Landlords Profit from Segregation, at Cost of Black Homeownership and Wealth, Shelterforce, https://shelterforce.org/2022/10/19/corporate-landlords-profit-from-segregation-at-cost-of-black-homeownership-and-wealth/

[295] Investors bought a record share of homes in 2021. See where. The Washington Post, https://www.washingtonpost.com/business/interactive/2022/housing-market-investors/

[296] Investors bought a record share of homes in 2021. See where. The Washington Post, https://www.washingtonpost.com/business/interactive/2022/housing-market-investors/

Top 10 metros where investors bought highest share of purchased homes

Many southern and western metros saw newfound investor interest last year.
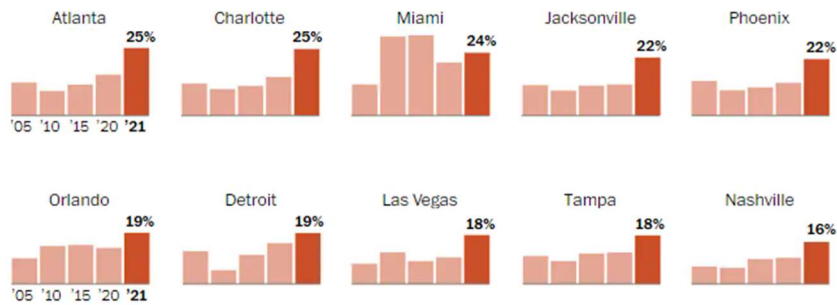
Investor Metros via Washington Post, https://www.washingtonpost.com/business/interactive/2022/housing-market-investors/ Figure 2Investor Purchases Over Time via Redfin, https://www.redfin.com/news/investor-home-purchases-q2-2022/

In Cleveland, investors have been buying up homes at an alarming rate, with three of Cleveland's zip codes among the top 15 nationally with the highest rate of investor purchases last year.[297] Of Cleveland's roughly 1, 600 rental units, the majority are now owned by companies from other states.[298] One way Cleveland has tried to address this issue is a provision called "Pay to Stay," which allows tenants to pay any unpaid rent and fees up until their eviction hearing.[299] But besides rentals, investors in some markets are also buying homes that might otherwise go to first-time home buyers.[300] The main problem, experts seem to agree, is that there are simply not enough homes to meet demand. Speaking to the Washington Post, Sheharyar Bokhari from Redfin agreed, saying "If we were building enough housing, there wouldn't be as much investing activity in the housing we have, if we had enough homes to meet this demand, everyone would be able to buy a home."[301]

Redfin analysis finds that investor home purchases have started to plateau, but still remain well above pre-pandemic levels.[302]

---

[297] Investors bought a record share of homes in 2021. See where. The Washington Post, https://www.washingtonpost.com/business/interactive/2022/housing-market-investors/
[298] Investors bought a record share of homes in 2021. See where. The Washington Post, https://www.washingtonpost.com/business/interactive/2022/housing-market-investors/
[299] Investors bought a record share of homes in 2021. See where. The Washington Post, https://www.washingtonpost.com/business/interactive/2022/housing-market-investors/
[300] Investors bought a record share of homes in 2021. See where. The Washington Post, https://www.washingtonpost.com/business/interactive/2022/housing-market-investors/
[301] Investors bought a record share of homes in 2021. See where. The Washington Post, https://www.washingtonpost.com/business/interactive/2022/housing-market-investors/
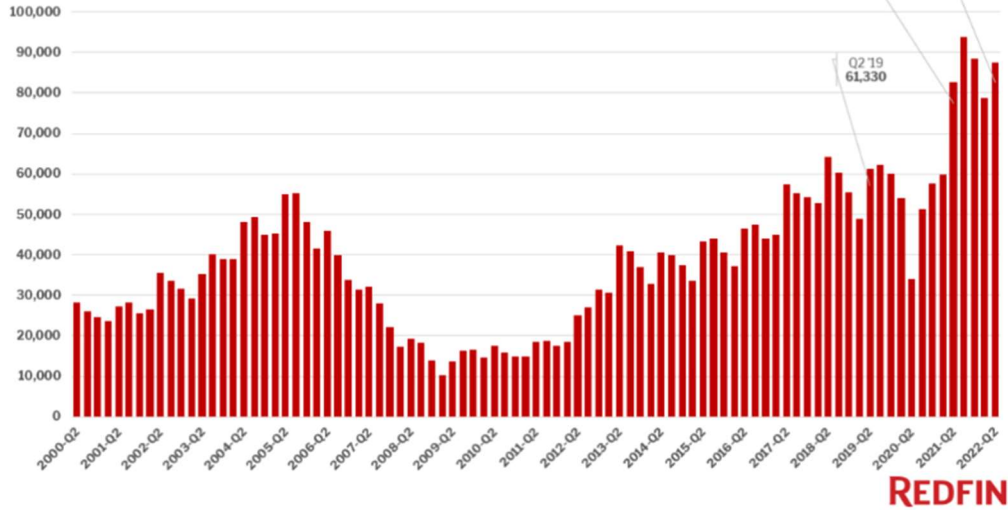[302] Investor Home Purchases Plateau But Remain Well Above Pre-Pandemic Levels, Redfin, https://www.redfin.com/news/investor-home-purchases-q2-2022/

Investor Purchases Over Time via Redfin, https://www.redfin.com/news/investor-home-purchases-q2-2022/

The analysis found that investors bought more houses during Q2 2022 than before the pandemic, but purchases have started to level off from their 2021 peak as investors and traditional buyers both react to increasing interest rates.[303] Investor market share has also started to level off but it still higher than pre-pandemic levels.[304] However, although there is evidence that some investors have begun to back off, investor purchases haven't seen the same decrease as the broader market, indicating some are taking further advantage of the housing-market cooldown.[305] Redfin analysts believe it is unlikely that investor purchases will return to 2021 levels, but they will probably remain more common than before the pandemic due to the relative stability of housing as an asset compared to the currently volatile stock market.[306] Investors aren't as deterred by the increasing mortgage rates as the typical home buyer, since about three-quarters of investor purchases are made in cash.[307]

---

[303] Investor Home Purchases Plateau But Remain Well Above Pre-Pandemic Levels, Redfin, https://www.redfin.com/news/investor-home-purchases-q2-2022/

[304] Investor Home Purchases Plateau But Remain Well Above Pre-Pandemic Levels, Redfin, https://www.redfin.com/news/investor-home-purchases-q2-2022/

[305] Investor Home Purchases Plateau But Remain Well Above Pre-Pandemic Levels, Redfin, https://www.redfin.com/news/investor-home-purchases-q2-2022/

[306] Investor Home Purchases Plateau But Remain Well Above Pre-Pandemic Levels, Redfin, https://www.redfin.com/news/investor-home-purchases-q2-2022/

[307] Investor Home Purchases Plateau But Remain Well Above Pre-Pandemic Levels, Redfin, https://www.redfin.com/news/investor-home-purchases-q2-2022/

Investor Purchases of Low- & High-Priced Homes Down From Record Highs, Up From Pre- Pandemic
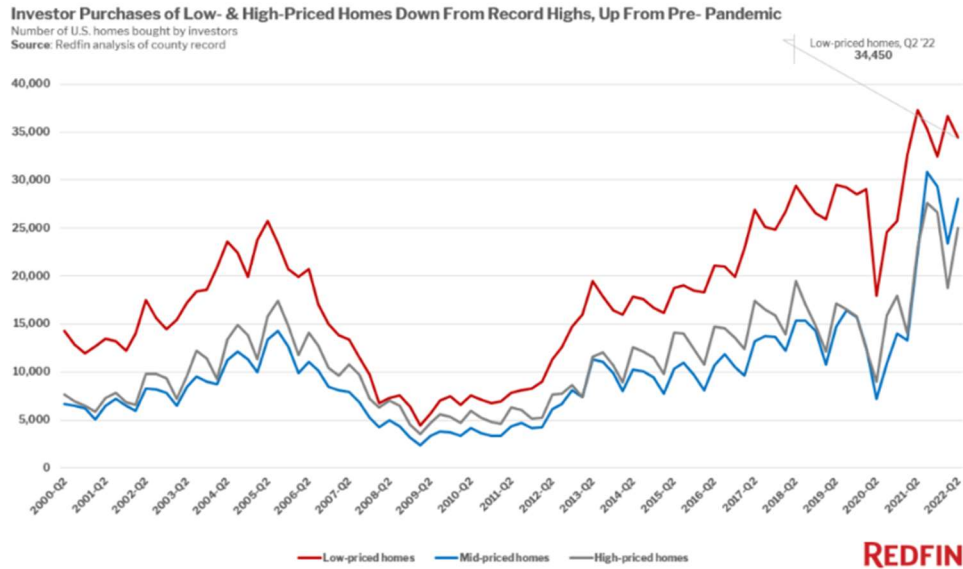
Investor Purchases by Stock Type via Redfin, https://www.redfin.com/news/investor-home-purchases-q2-2022/

The situation is more complicated when you break down investor purchases by home value. Investor purchases of low-priced homes in Q2 2022 are down, while still slightly above 2019 levels.[308] Investor purchases of mid- and high-priced homes are down from their pinnacle in 2021, but still nearly double pre-pandemic levels.[309] Moreover, investor market share is at or near record highs for both low-and mid-priced homes.[310]

Investor Purchases of All Property Types Remain Elevated Above Pre-Pandemic Levels
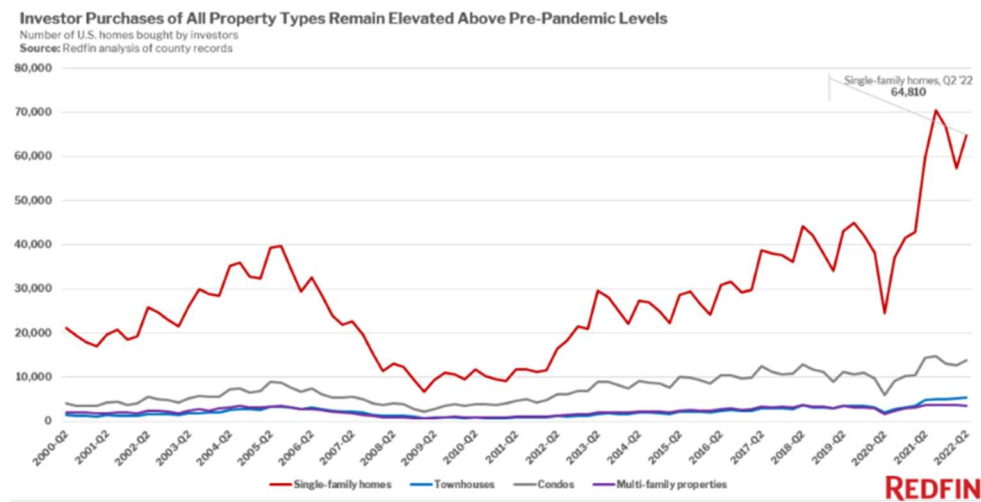
Investor Purchases by Home Size and Type via Redfin, https://www.redfin.com/news/investor-home-purchases-q2-2022/

---

[308] Investor Home Purchases Plateau But Remain Well Above Pre-Pandemic Levels, Redfin, https://www.redfin.com/news/investor-home-purchases-q2-2022/
[309] Investor Home Purchases Plateau But Remain Well Above Pre-Pandemic Levels, Redfin, https://www.redfin.com/news/investor-home-purchases-q2-2022/
[310] Investor Home Purchases Plateau But Remain Well Above Pre-Pandemic Levels, Redfin, https://www.redfin.com/news/investor-home-purchases-q2-2022/

A 2022 report produced by the Vacant and Abandoned Property Action Council (VAPAC) examined investor activity in the Old Brooklyn middle neighborhood of Cleveland from 2004 through 2020. In it they state that:

> *The documented dramatic rise in investors of 1-3 family homes should serve as a wake-up call for policy makers and code enforcement practitioners, as the findings in this paper suggest the need for immediate changes to stabilize neighborhoods and to preserve the homeownership opportunities that provide the foundation for wealth building and financial stability.[311]*

Many of the practitioners interviewed throughout this research have offered programmatic ideas aimed at addressing the rise of investor owned properties in their neighborhoods.

A key policy tool is a rigorous system of code enforcement. Building code enforcement is undertaken at the local level and is generally done in building and housing departments of municipalities. Code enforcement has always been vital piece of effective housing policy, and it is even more needed today. Housing and building codes vary widely across the case study communities, as do the funding mechanism and levels to which departments budgets are supported. However, the importance of code enforcement stood out as critical in the policy arsenal for cities.

Proactive Code enforcement:

Reactive code enforcement mechanisms rely on the complains of individuals, whether they are tenants or neighborhood residents, to report their complaints through government provided information systems such as 311, that serve as a basic city hotline. To more fully address the wide-ranging issues that investor owned properties can have on neighborhoods, practitioners identified that a shift to proactive code enforcement was necessary.

Proactive enforcement utilizes systematic and planned inspections instead of responding to complaints. For many communities, including those in these case studies, that will mean hiring more inspectors putting increased pressure on already tight city budgets. For Cleveland, CNP is driving an effort to increase by 50% the number of building inspectors. Some communities are applying American Rescue Plan Act (ARPA) funding to increase department budgets. But ARPA dollars are one-time funding that will eventually go away. There are questions around how cities will sustain these increases. It may also mean that communities should consider other creative ways to ensure code compliance.

Plano, TX has a volunteer-staffed code enforcement team. CARES or Code Abatement by Residents Engaged in Service is a program that connects residents that may be in need of

---

[311] The Impact of Real Estate Investor Activity On the Cuyahoga County, Ohio Housing Market 2004 – 2020 Prepared by the Vacant and Abandoned Property Action Council (VAPAC) March 6, 2022

assistance who have eligible common code violations such as Accessory building removal/repair, Damaged fence removal/repair, Minimal tree trimming, Minor exterior home repair, Trash removal with local volunteers to assist homeowners with resolving their violations. In this way, a program such as CARES will help existing homeowners

For some communities, proactive code enforcement may also need to include enacting new legislation or amending existing local ordinances. This may involve requiring greater disclosure of the identification of 'responsible parties' at the point of a property sale or transfer, withholding the filings of deeds or title transfer if investor companies are not registered with the Secretaries of State, or if there are outstanding violations or delinquent property taxes. For cities across the country, this will only be possible through increased political will.

But local efforts to respond to the array of issues that arise from increases in investor owned properties will not fully tackle this problem. Both legislative and rule-making reforms need to be considered. At the state level, legislatures could consider increasing funding for local affordable housing providers and programs that support rehabilitation. State legislatures could also focus on efforts aimed at compliance when investor entities fail to pay property taxes or are otherwise in violation of state laws. At the federal level, efforts should be made to consider reforms to the Community Reinvestment Act (CRA). These efforts should focus on ensuring that Low-and-Moderate Income communities are receiving fair access to credit, helping to level the playing field for prospective homeowners.

Other Programs and Approaches for Middle Neighborhoods:

Leadership Development:
Whether it is community organizing, training new grassroots leaders, creating block clubs or establishing CDCs, leadership development was identified as a driving factor for middle neighborhoods. CDCs and targeted city policy can brand neighborhoods and cultivate excitement through community events, giving a community an identity that people recognize and want to be a part of.

Focus on Smaller Geographies
A common dilemma practitioners and policymakers face in addressing neighborhood change is geographic scale; spreading limited funding over a larger geography diminishes its impact. When addressing middle neighborhoods, focusing efforts on geographies as small as a single block over a longer period is fruitful. By creating tangible change in a community, practitioners and policymakers can build a better sense of place and illustrate the potential of the neighborhood.

Financing Programs Aimed at Middle Neighborhoods
Construction Gap program:
Increasing the availability of affordable housing through new construction is not new. Construction gap financing programs aim to stimulate and sustain private construction investments in local housing markets. Closing the gap between current market values and the

development and construction costs for either new construction or rehabilitation. For middle neighborhoods, these construction gap programs should focus on single-family for-sale housing. In Cleveland, Cleveland Neighborhood Progress is driving a city-wide neighborhood platform. This strategy explicitly includes specific housing policy recommendations aimed at tripling the impact of Cleveland's construction gap financing program. The program provides funding for non-profit developers to 12 acquire homes that might be more difficult to buy and offers cash to begin renovations immediately.

Loan Loss Reserves:
Loan Loss Reserves are a type of credit enhancement approach that are commonly used by state and local governments to provide partial risk coverage to lenders so that the reserve will cover a prespecified amount of potential or anticipated loan losses.

To encourage home investments in the middle neighborhoods of Cleveland, City Council approved a $1 million allocation in support of the city's middle neighborhoods initiative in November of 2021. Described by housing advocates as a novel product for Cleveland residents, the loans would provide up to 120% loan-to-value rations and would be made to homebuyers in partnership with local lenders. The program will be administered by a local housing non-profit. (footnote CHN Housing Partners and Village Capital Corp)

However, financial investment is not the only aspect of the program. the program would also provide homeowners with technical assistance to ensure rehabilitations are "done properly" and by certified contractors, further ensuring that the quality of housing in the city is strong. Currently, CNP is working to assist in Maintaining and expanding the loan loss reserve for Middle Neighborhoods that encourages private investment.[312]

Asset-based community development was a critical policy opportunity identified by the roundtables. Such policy entails identifying existing physical and social anchors and building up these anchors to enhance the community rather than trying to build new community centers.

Advocacy efforts for investment in middle neighborhoods at the federal, state, or local level. the majority of tax revenue that cities receive usually comes from middle neighborhoods. Therefore, it is critical for cities to maintain middle neighborhoods to sustain themselves. Many of the policies aimed at improving neighborhoods focus on distressed areas in dire need of investment, so it can be hard to shift that focus. When cities do not or cannot foot the bill for community investments, CDCs and other community organizations must step up. Explicitly calling attention to middle neighborhoods by identifying them, and creating city strategies for targeted middle neighborhoods.

---

[312] Cleveland City Council approves $1 million to stoke housing investments in middle neighborhoods, Courtney Astolfi, https://www.cleveland.com/news/2021/11/cleveland-city-council-approves-1-million-to-stoke-housing-investments-in-middle-neighborhoods.html

Targeted policy is needed to maintain these areas. There are many policy options to strengthen these neighborhoods, many of which have proven effective in various neighborhoods around the country. While financial capital is necessary, the importance of social capital for preserving middle neighborhoods must also be included. Ultimately, the best policy solutions are as diverse as middle neighborhoods themselves.

Appendix A: Variables within Neighborhood Typology

Variable	Data Source
Factor 1	
Median House Value (MHV)	ACS 5-Year Estimates Table DP04
Average Loan Value	FHFA Fanny May and Freddy Mac Single-Family Mortgage Database
Median Rent	ACS 5-Year Estimates Table DP04
Percent of Adults who Smoke	County Health Rankings
Percent of Asian Population	ACS 5-Year Estimates Table DP05
Median Household Income (MHI)	ACS 5-Year Estimate Table S1903
Percent of Asian Mortgage Borrowers	FHFA Fanny May and Freddy Mac Single-Family Mortgage Database
Bad Mental Health Days per Year	County Health Rankings
Life Expectancy (2015 est.)	CDC WONDER
Percent of Asian Mortgage Co-Borrowers	FHFA Fanny May and Freddy Mac Single-Family Mortgage Database
Infant Mortality Rate	CDC WONDER
Factor 2	
Total Homeownership Rate	ACS 5-Year Estimates Table DP04
Percent Single-Unit Housing	ACS 5-Year Estimates Table DP04
Percent Rental-Occupied Units	ACS 5-Year Estimates Table DP04
White Homeownership Rate	ACS 5-Year Estimates Table DP04
Percent of 10+ Unit Housing	ACS 5-Year Estimates Table DP04
Percent of Population Aged 18-34	ACS 5-Year Estimates Table B09001
Percent of Units Occupied by 1 Person	ACS 5-Year Estimates Table S2501
Percent of 5-9 Unit Housing	ACS 5-Year Estimates Table DP04
Hispanic Homeownership Rate	ACS 5-Year Estimates Table DP04
Percent of Population Aged 35-64	ACS 5-Year Estimates Table B09001
Percent of 3-4 Unit Housing	ACS 5-Year Estimates Table DP04
Black Homeownership Rate	ACS 5-Year Estimates Table DP04
Factor 3	
Percent of Hispanic White Population	ACS 5-Year Estimates Table DP05
Percent of Hispanic Mortgage Borrowers	FHFA Fanny May and Freddy Mac Single-Family Mortgage Database
Percent of Hispanic Mortgage Co-Borrowers	FHFA Fanny May and Freddy Mac Single-Family Mortgage Database
Percent of Units Occupied by 4+ People	ACS 5-Year Estimates Table S2501
Percent of Population with Health Insurance	ACS 5-year Estimates Table S2307
Factor 4	
Percent of Black Population	ACS 5-Year Estimates Table DP05
Percent White Mortgage Borrowers	FHFA Fanny May and Freddy Mac Single-Family Mortgage Database
Percent Black Mortgage Borrowers	FHFA Fanny May and Freddy Mac Single-Family Mortgage Database
Percent White Mortgage Co-Borrowers	FHFA Fanny May and Freddy Mac Single-Family Mortgage Database

Percent Black Mortgage Co-Borrowers	FHFA Fanny May and Freddy Mac Single-Family Mortgage Database
Factor 5	
Labor Force Participation Rate	ACS 5-Year Estimates Table S2301
Employment-Population Ratio	ACS 5-Year Estimates Table S2301
Percent of Population Aged 65+	ACS 5-Year Estimates Table B09001
Percent of Mortgages Given to Age 34 and Under	FHFA Fanny May and Freddy Mac Single-Family Mortgage Database
Percent of Mortgages Given to Age 65+	FHFA Fanny May and Freddy Mac Single-Family Mortgage Database
Percent First-time Mortgage Borrowers	FHFA Fanny May and Freddy Mac Single-Family Mortgage Database
Factor 6	
Percent of Housing Built Post-1970	ACS 5-Year Estimates Table DP04
Percent of Housing Built Pre-1970	ACS 5-Year Estimates Table DP04
Total Population	ACS 5-Year Estimates Table DP05
Total Units	ACS 5-Year Estimates Table DP04
Total Loans Given	FHFA Fanny May and Freddy Mac Single-Family Mortgage Database
Percent of Two-Unit Housing	ACS 5-Year Estimates Table DP04
>1 Factor	
Percent Foreign-Born Population	ACS 5-Year Estimates Table DP02
Percent Highly Educated Population	ACS 5-Year Estimates Table DP02
Housing Affordability Index (MHV/MHI)	ACS 5-Year Estimates Table S1903 and DP04
Percent of Households with Tech Access	ACS 5-Year Estimates Table S2801
Crude Death of Despair Rate	CDC WONDER
Ratio of Tract MHI to Regional MHI	FHFA Fanny May and Freddy Mac Single-Family Mortgage Database
Poverty Rate	ACS 5-Year Estimates Table S1701
Housing Density	ACS 5-Year Estimates Table DP04
Population Density	ACS 5-Year Estimates Table DP05
Asian Homeownership Rate	ACS 5-Year Estimates Table DP04
Percent Change in Poverty Rate (2009-2019)	ACS 5-Year Estimates Table S1701
Percent Change in Asian Homeownership (2009-2019)	ACS 5-Year Estimates Table DP04
Percent of Population Aged 18 or Under	ACS 5-Year Estimates Table B09001
Percent of Units Occupied by 2 People	ACS 5-Year Estimates Table S2501
Percent Change in Highly Educated Population (2009-2019)	ACS 5-Year Estimates Table DP02
Percent of Non-Hispanic White Population	ACS 5-Year Estimates Table DP05
Percent of Households Led by a Single Mother	ACS 5-Year Estimates Table DP02
Unemployment Rate	ACS 5-Year Estimates Table S2301
Median Age	ACS 5-Year Estimates Table DP05
Vacancy Rate	ACS 5-Year Estimates Table DP04

Appendix B: National Community of Practice

Ann DiPetta
Writing Consultant
ADR Consulting

Alan Mallach
Senior Fellow
Center for Community Progress

Marcia Nedland
Principal
Fall Creek Consultants

David V. Sanchez
Special Policy Advisor
Federal Housing Administration
U.S. Department of Housing and Urban Development

Appendix C: Middle Neighborhood Practitioner Feedback Group

Anthony Bango
Housing Development Office Manager
City of Cleveland
Department of Community Development

Terri Hamilton Brown
Midwest Regional Director
The Community Builders, Inc.

Cheryl Casciani
Director of Community Planning and Revitalization - Retired
Baltimore City
Department of Planning

Jamar Doyle
President and CEO
Council for Health and Human Service Ministries

Bryan Gillooly
Executive Director
Bellaire-Puritas Development Corporation

Kristopher Hoff
Business Development Analyst
National Community Stabilization Trust

Peggy Kearsey
Program Manager
NORA, Inc

Mark Lastition
Vice President & Manager
Howard Hanna

Kamla Lewis
Senior Housing Development Program Manager
Cuyahoga County Land Reutilization Corporation

Amber Lynch
Executive Director
Invest DSM

Sally Martin O'Toole
Director of Building and Housing
City of Cleveland

Brianna Perry
Senior Vice President of Equitable Neighborhood Revitalization
Cleveland Neighborhood Progress

Jason Powers
Senior Vice President CDC Advancement and Resilience
Cleveland Neighborhood Progress

Patricia Ramsey
Vice President Community & Economic Development - Retired
Fifth Third Bank

David Sanchez
Special Policy Advisor
Federal Housing Administration
U.S. Department of Housing and Urban Development

Mike Schramm
Director of Information Technology and Research
Cuyahoga County Land Reutilization Corporation

Helen Tomic
Manager
Long Range Planning Division
City of Akron

Monique Winston
Chief Resource & Development Officer, Minority Business Accelerator
President, MWINS Consulting

Appendix D: Data Source Overview

Census tracts are treated as proxies for neighborhoods in the context of this study. We started with all census tracts in the United States, totaling 73,057. This was pared down to 66,679 census tracts through a set of restrictions:
Tracts must have had census data tracked for them
Tracts must have had a population greater than or equal to 500 in 2019
Tracts must not have been covered more than 50% by an active military base
Tracts must have belonged to a metropolitan or micropolitan statistical area (non-rural)
108 indicators were collected to comprehensively describe neighborhoods containing demographic, housing, economic, health, and built environment data. Data considered for this analysis must have been publicly available for the United States. These data were collected from the following sources:

Table 2. Data Source Details

Data Source	Years	Link
Census American Community Survey (ACS)	2005-2009, 2010, and 2015-2019	https://data.census.gov/cedsci/
IPUMS NHGIS	2005-2009 and 2015-2019	https://data2.nhgis.org/main
HUD Low Income Housing Tax Credit	Up to 2019	https://lihtc.huduser.gov/
FHA Fanny May and Freddy Mac Single-Family Mortgage Database	2019	https://www.fhfa.gov/DataTools/Downloads/Pages/Public-Use-Databases.aspx
CDC Wonder	2015, 2017-2019, and 2009-2019	https://wonder.cdc.gov/WelcomeT.html
County Health Rankings	2015-2019	https://www.countyhealthrankings.org/explore-health-rankings
Homeland Infrastructure Foundation-Level Data (HIFLD)	Constantly Updated (2019-2021)	https://hifld-geoplatform.opendata.arcgis.com/
Institute of Museum and Library Services	2019	https://www.imls.gov/research-tools/data-collection
Bureau of Transportation Statistics	2019	https://data.bts.gov/
National Center for Education Statistics	2019	https://nces.ed.gov/datatools/

Change data was calculated using 2009 or 2010 ACS 5-Year Average data compared with 2019 ACS 5-Year Average data.

Geographic data related to institutions (police stations, libraries, etc.) were geocoded using ArcMap 10.6.1. Results were aggregated by census tract and exported as .csv files. Population and housing density statistics were generated using 2019 ACS total population and total housing units figures with the census tract land area generated by ArcMap.