

MAKING THE COMEBACK:

REVERSING THE DOWNWARD TRAJECTORY OF AFRICAN AMERICAN MIDDLE NEIGHBORHOODS

SUMMARY REPORT

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INTRODUCTION

Throughout most of the history of America's older cities, middle neighborhoods – where each city's working class and middle-class families lived and where incomes and house prices were typically close to citywide medians – have been the backbone of those cities. As the nation's industrial sector and those cities in which it was concentrated shrank after World War II, many of these neighborhoods disappeared, but many remained, gaining new life from African American families seeking better living conditions than those available in the segregated areas where they had previously been confined. Yet these neighborhoods are facing new and even more difficult challenges, particularly in the wake of the foreclosure crisis and the Great Recession. A handful have seen revival or gentrification. Some have remained stable, seeing reinvestment without significant demographic change. But many have declined, often precipitously. They show sharp drops in incomes, house prices and homeownership rates, higher poverty and unemployment rates, and growing numbers of vacant, abandoned homes and businesses.

In city after city, the middle neighborhoods that are facing the greatest challenges and that have seen the sharpest declines in recent years are those largely occupied by African American families. In cities where middle neighborhoods are generally declining, the decline among Black neighborhoods is greater. In cities where revival is taking place, few are sharing in that revival. Put simply, Black urban middle neighborhoods are facing an existential crisis.

Why this is happening is a complex matter. The fact that this is happening should be a matter of concern to anyone who cares about America's neighborhoods, America's cities, or the people who live there. Despite the American custom of moving 'up and out', neighborhoods are not disposable. The

decline of African American middle neighborhoods has meant that thousands of families - including large numbers of elderly homeowners - are seeing not only their wealth, but their quality of life, disappear. These neighborhoods have not only a physical fabric that is itself an asset, but an economic and social fabric worth saving, that is distinctly part of the African American experience in the United States. In the respect, the voices of two advocates for Black middle neighborhoods are worth listening to.

As Nedra Sims Fears, the dynamic leader of the Greater Chatham Initiative in Chicago, describes her neighborhood, "a strong community, that has a robust African-American culture in the very best sense of that word - cooperative, supportive, loving and nurturing." All of this is worth fighting for, as she adds, "I want folks to come back to that nurturing, supportive African American community [...] where people can see the absolute best of what an African-American community is and can continue to be."

As William Lee points out, "the loss of the black middle class deprives their communities of their skills, tax revenue and political clout while also robbing a younger generation of desperately needed role models". Urban Black middle neighborhoods have been central to the formation of today's Black middle class, and the wellsprings of Black civic, political, and cultural engagement. They contain valuable fixed assets, in terms of homes and businesses, as well as parks, schools and other community institutions.

We take the position that these places matter, and ask: how can we stabilize and revive these neighborhoods so that they remain, or become again, the supportive, nurturing communities that Nedra Sims Fears is working to build?

The Challenge

To understand what was happening in Black middle neighborhoods in legacy cities, we looked at trends from 2000 to 2018 in neighborhoods in six cities – Baltimore, Chicago, Cleveland, Detroit, Milwaukee and Philadelphia. We looked at neighborhoods (census tracts) where the median household income in 2000 was the equivalent of \$40,000 to \$75,000 in 2018 dollars, and where the population

was at least 80 percent African American. We looked at social, economic and housing market trends in these neighborhoods, and compared them with predominately white and racially mixed neighborhoods in the same cities that were in the same income range in 2000.

There were 342 census tracts in these six cities that met the definition of a Black middle neighborhood in 2000. By 2018:



240
had moved down
economically



100
were still middle
income



Only
2
had moved up

These neighborhoods, taken as a whole, are:

LOSING population

LOSING homeownership

LOSING married couple child-raising families

GAINING Gaining vacant houses

While in many cities, white and racially mixed neighborhoods were struggling as well, in every city, in every category, the Black middle neighborhoods were doing worse.

Many of these neighborhoods were hit hard by the foreclosure crisis and the Great Recession. Bad as that was, though, the greater problem is that, even as Black homebuying has recovered from that low point, these neighborhoods have not. During the decade of economic growth that preceded the coronavirus pandemic, these neighborhoods failed to gain back what they lost in the recession. House prices stayed low and homebuyers have not come back. Owners looking to sell too often find

no homebuyers. Some houses are being bought by investors, and others become abandoned. The lack of housing demand in these neighborhoods is a critical factor driving the decline of Black middle neighborhoods.

While some neighborhoods, particularly in Baltimore and Chicago, were starting to see housing demand revive in the past year or two, those modest, tentative gains may well have been wiped out by the coronavirus pandemic. Once our lives return to something like normal, we will be faced with starting over almost from the beginning.

CONFRONTING THE CHALLENGE:

STRATEGIES FOR REBUILDING BLACK MIDDLE NEIGHBORHOODS

West Oak, Philadelphia © 2021 Google

The role of these neighborhoods takes on particular significance as American cities have become increasingly polarized along mutually reinforcing spatial, economic, and racial lines. A city polarized between the well-to-do and the poor or near-poor, especially when that polarization is not only economic but racial, is not a healthy, sustainable city. The continued vitality of Black urban middle neighborhoods is a bulwark against polarization and for a more equitable future for our cities.

DRIVERS OF DECLINE

While the proximate cause of the decline of Black middle neighborhoods is rooted in weak housing demand, it did not begin there. Weak housing demand is the outcome of a long chain of events beginning many years ago.

Middle neighborhoods as a whole are under strain. The hollowing of the middle class, deindustrialization and the loss of millions of well-paying industrial jobs, have thinned the ranks of middle neighborhoods. Changing American demographics, changing housing preferences and an aging housing stock have reduced the demand of middle-class families for traditional urban neighborhoods.

Black middle neighborhoods are disproportionately affected. Black workers were often 'last hired, first fired' were often subject to hidden or overt racial discrimination, and had a thinner toehold on middle-class status. Social stress and economic insecurity, exacerbated by the invidious position of African Americans in the larger society and economy, affect Black middle neighborhoods far more than their white counterparts. America's racially-driven

housing market, in which few white homebuyers even look at, let alone buy, homes in predominately Black neighborhoods dictates that even in strong economic times, housing demand will be weaker in Black neighborhoods than in comparable white or racially mixed areas. While the small number of Black homebuyers spread across all of the region's neighborhoods, little of the much larger white demand pool reaches black areas.

In 2000, Black middle neighborhoods, although in many respects still relatively stable, were disproportionately vulnerable to social and economic shocks. The largest of these shocks was the combined impact of the widespread subprime lending boom that began in the late 1990s, which disproportionately targeted African American neighborhoods, the foreclosure crisis and Great Recession of 2007-2009. Black middle neighborhoods were disproportionately impacted by foreclosures, while the economic insecurity of many Black middle-income wage earners led to their neighborhoods being disproportionately destabilized by the Great Recession.

Many long-time homeowners who refinanced with subprime loans as well as newcomers who used subprime loans to buy homes in these neighborhoods lost their homes. Their homes were often bought by investors and subsequently rented to lower-income households, while in other cases they remained vacant and were ultimately abandoned. Many homeowners were forced to move, while others, facing increasing destabilization and disorder in their midst which they felt powerless to change, also left, moving outward to the suburbs.



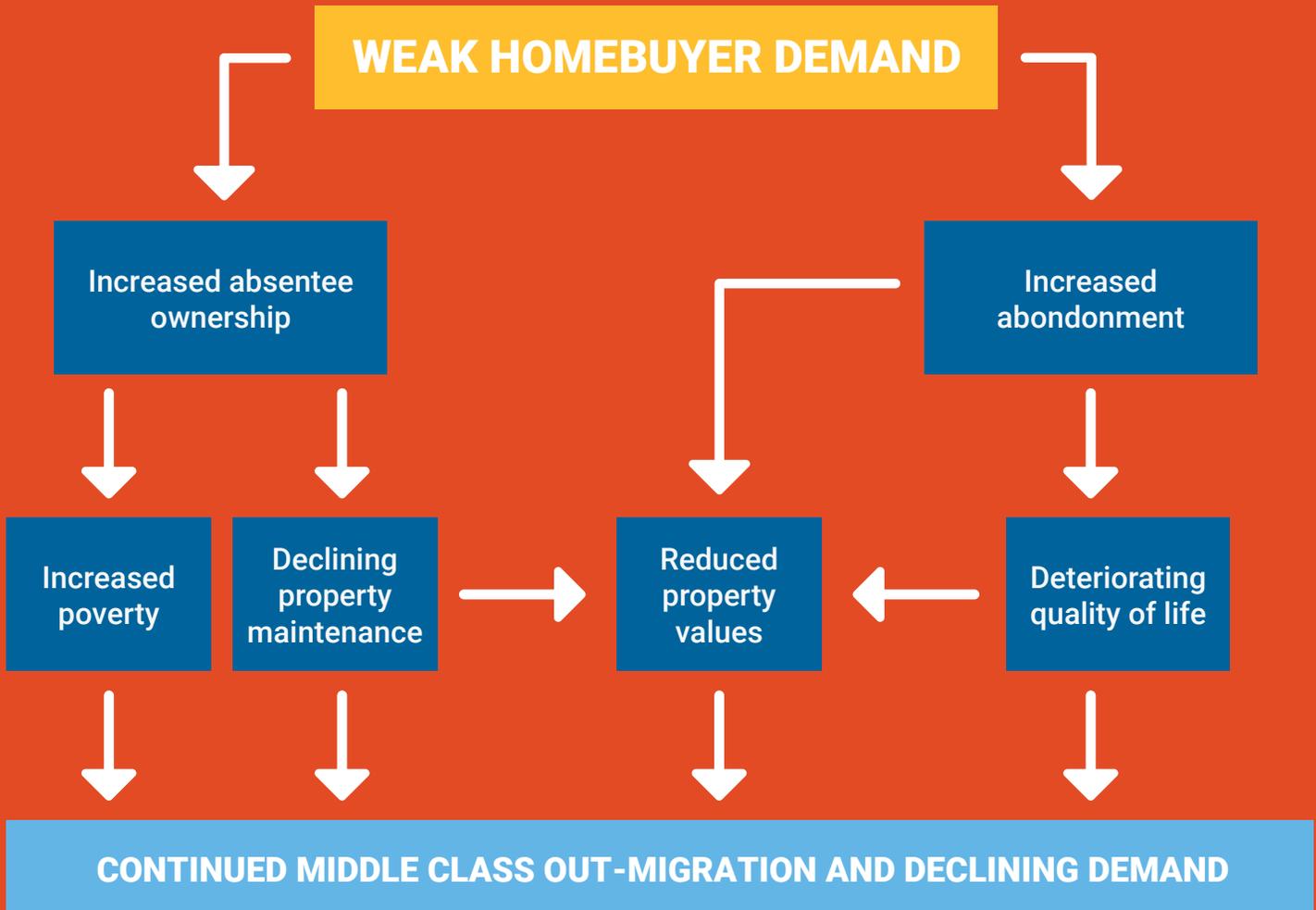
Neighborhood decline, however, is driven not only by the loss of middle-class families, but by the absence of middle-class homeowner replacement. Too few people are buying homes in urban Black middle neighborhoods to replace the homeowners who leave. Since the low point of 2011, Black homebuyers have returned to the market – but not to traditionally Black urban neighborhoods. Compared to 15 or 20 years ago, today’s Black homebuyers are increasingly buying in the suburbs rather than the central city. Within the central city, they are more likely to buy in racially mixed rather than predominately Black neighborhoods than in the past.

What that means is that when the time comes to sell their homes, many homeowners in many Black middle neighborhoods cannot find a new homeowner to take their place. Sometimes their home may be bought by an investor, but often it will find no buyer and be abandoned. From 2000 to 2018 Cleveland’s Black middle neighborhoods lost 30% of their homeowners, and their average vacancy rate rose to above 20%. The median sales price in these neighborhoods was under \$40,000, less than half of what it had been in 2005.

Weak homebuyer demand is not the *cause* of the challenges Black middle neighborhoods are facing. On the contrary, it is a *product* of difficulties accumulated over many years. Once it starts, however, it creates a vicious cycle that perpetuates disinvestment and outmigration, as shown in Figure 1. For that reason, *strategies to stabilize and revitalize these neighborhoods need to focus on how to break that cycle.*

That does not mean, however, that a strategy can or should focus narrowly, for example, on marketing or homeowner attraction. *Such strategies are important but are not likely to be effective unless they are tied to changes to the conditions that led to the market weakness that is destabilizing the community.* Still, given the central role of market building in any revival strategy, before looking at specific programs or activities, it is important to look at some of the key underlying issues that need to be considered when exploring a market building strategy.

FIGURE 1: THE VICIOUS CYCLE OF WEAK HOMEBUYER DEMAND



Market Building Issues

When people choose a neighborhood, their decisions are rarely driven by ideological values or political goals, but by concrete concerns about their families' well-being. Within their price range, based on whatever information they can find, families will pick the neighborhood that they believe best matches their aspirations in terms of its quality of life and, if they have children, the opportunities it offers their children. Factors in that process include safety, cleanliness, amenities, and good schools, as well as potential house appreciation over time. While many Black homebuyers may want to buy in a largely Black neighborhood, they are only likely to do so if the neighborhood offers the amenities they are looking for. To revive, urban Black middle

neighborhoods must recapture their competitive edge vis a vis their suburban or racially mixed counterparts.

Building a strong neighborhood housing market means building and sustaining an environment that meets the reasonable expectations of ordinary people. Strategies such as neighborhood marketing and homebuyer incentives are not ends in themselves, but only adjuncts to building a stronger, more competitive neighborhood. Before looking at specific strategies, though, we will address three key questions:

MARKET BUILDING ISSUES

KEY QUESTIONS

1. Why are homebuyers a key part of the strategy?
2. Why is neighborhood stability so fundamental to the success of any neighborhood strategy?
3. Who is the target market for the neighborhood?

THE IMPORTANCE OF HOMEBUYERS AND HOMEOWNERS

Not everybody needs to be, wants to be or should be a homeowner. About two-thirds of American households are homeowners, and about one-third renters. Low-income households are more likely to be renters, as are single-person households. Neighborhoods need to accommodate renters as well as homeowners.

From a neighborhood stability perspective, however, there are important differences between the role played by homebuyers, investors, and renters. Homebuyers invest in the neighborhood by putting money into the house they own and by living there for an extended period, while most renters turn over every few years. While cost is paramount in renters' choice of a place to live, homebuyers choose homes and neighborhoods based on quality of life and amenities within their price range. Finally, investors are looking for an economic return from the property, and usually little else.

Homeowners are more likely to become engaged in their neighborhood. They are more likely to invest in their homes and yards in the ways that make them visible assets which contribute to the neighborhood's 'curb appeal'. Increasing homeownership is likely to increase both property values and neighborhood stability, while a decline in

homeowners is likely to have the opposite effect.

Renters and investors are important and should be part of any comprehensive neighborhood revival effort. Homeowners, however, play a critical role, which needs to be acknowledged, particularly in neighborhoods predominately made up of single-family homes.

THE ROLE OF NEIGHBORHOOD STABILITY

To the people who live in a neighborhood, or who are thinking about moving into one, neighborhood stability is essential. It means something very different from stable house prices or household incomes. People place greater value on avoiding losses than on seeking gains, a disparity psychologists Daniel Kahneman and Amos Tversky call the *value function*. This is directly relevant to how people feel about choosing a neighborhood.

When a family buys a home, it is making a psychological as well as financial investment in a neighborhood. More than anything else, they will want to feel that their investment is safe and that they are not unduly risking that investment by choosing a house in an unstable or unsafe neighborhood. *While home seekers look for and homeowners value positive amenities or gains like a park, a historic house, or convenient transit, they give greater weight to the absence of negative factors,*

such as crime or blight, that increase their sense of risk or potential loss. It is the absence of those negative factors more than the presence of positive ones that makes present and potential residents perceive a neighborhood as being stable.

Different people have different value functions. A moderate-income child-rearing family is likely to be significantly more loss-averse than a young, single artist. Similarly, a middle-income family is likely to be more loss-averse than a wealthy one, since much more of their future well-being and financial security hinges on their getting their homebuying decision “right”. The implications of this proposition for neighborhood revival strategies are powerful.

THE IMPORTANCE OF TARGET MARKETS

Prospective homebuyers vary in their characteristics or preferences. Any particular neighborhood is likely to be more attractive to some buyers rather than others. In framing a neighborhood revival strategy, it is important to understand who is most likely to want to live in the neighborhood.

Historically, the principal market for most Black middle neighborhoods was families raising children. The number of those families, though, and their share of the population have both dropped sharply since the 1960s and 1970s. As a result, fewer neighborhoods than in the past can look to families with children, and married couple child-rearing families in particular, as their target market. The shift in the national demographic picture toward childless couples, single individuals and other non-family households can be an existential challenge for neighborhoods that were traditionally places where families moved to raise children.

While some neighborhoods may be able to successfully compete for the small pool of child-rearing families in the regional marketplace, others

may look to draw other groups, such as young childless couples, young singles, or empty nesters to their neighborhood. Some neighborhoods with large houses may want to reach out to multi-generational households. Location may offer opportunities. A neighborhood near a hospital or university may see their workers as its target market and work with that institution to encourage homebuyers. Many universities and medical centers offer incentives to workers to buy in the city where they are located, or specific neighborhoods.

The choice of a target market is a critically important decision, because it bears directly on what amenities and quality of life features may be most important in building a stronger market. At the same time, it is important to stay flexible. Regularly tracking who is *actually* buying in one’s neighborhood can alert planners to potentially important new market opportunities as well as provide a reality check on one’s efforts.

It is critical to recognize, though, that *the people who already live in the neighborhood are also an important part of any neighborhood’s target market*. Every year, many neighborhood homeowners and tenants make decisions to stay or move. Encouraging as many as possible to stay and either improve their property or move to a larger house in the same neighborhood, or for renters, to become a homeowner, is as important as attracting new homebuyers.



...the people who already live in the neighborhood are an important part of any neighborhood’s target market

Strategies for Revival

The number of different activities that can be at least contemplated as part of a strategy for reviving a struggling neighborhood is limited only by the imagination and creativity of those involved and the resources at hand. A summary list of possible revival and stabilization strategies appears in Table 1 beginning on the following page. No one, however, can do everything. Organizations need to focus on what they can do with the available money, energy and skills, and identify what is likely to have the greatest effect on the neighborhood for the time and money spent.

Whatever the specific activities an organization pursues, activities that contribute to stabilizing or rebuilding the market should be given high priority. That does not mean that one should *exclusively* focus on market building activities, but that a large share of an organization's resources should be aimed in that direction. As discussed earlier, however, market building goes far beyond programs like marketing or homebuyer incentives.

Market building is about *changing the features of the neighborhood to make it more attractive to both the people who live there already as well as those whom the neighborhood wants to attract.* That includes a lot of things, but it does not

include everything. Some things may make a neighborhood more attractive to some existing residents, but not to potential homebuyers, like, for example, a drop-in center for senior citizens. By contrast, upgrading the quality of the local public school or opening a community-run charter school is likely to be seen as a positive step by both existing residents and young families looking to buy a home.

Neighborhood revival is also about *building quality of life and opportunity for neighborhood residents.* Some activities may not be important to market building, but may still matter greatly to the neighborhood's quality of life. The most valuable strategies are those that contribute strongly to both goals. Market building activities as such may add little to quality of life, but improving public services and neighborhood amenities both helps build and stronger housing market and enhance the neighborhood's quality of life.

The rest of this section includes further comments about many of the key elements linked to neighborhood revival. Many communities around the United States are pursuing creative and effective programs in all of these areas.

TABLE 1: ELEMENTS IN MIDDLE NEIGHBORHOOD STABILIZATION AND REVITALIZATION

CATEGORY	ELEMENT	STRATEGIES
Building a strong neighborhood housing market	Neighborhood marketing	<ul style="list-style-type: none"> • Neighborhood branding • Target marketing • Increasing neighborhood ‘curb appeal’
	Ensuring availability of suitable housing options	<ul style="list-style-type: none"> • Rehab and ready programs • Half-bath program • ‘Model block’ programs
	Expanding the pool of potential homebuyers	<ul style="list-style-type: none"> • Increasing credit access, including targeted mortgage programs • Homebuyer counseling • Down payment and closing cost assistance • Rent to own (lease-purchase) programs • Programs to ensure sustainable homeownership
	Supporting existing homeowners	<ul style="list-style-type: none"> • Home repair and upgrading loans and grants • Accessing property tax relief programs (circuit-breakers) • Homeowner counseling and assistance
	Improving the quality of rental housing	<ul style="list-style-type: none"> • Strategic and performance-based code enforcement • Landlord loan programs • Other good landlord incentives • Rental rehab programs
	Vacant property strategies	<ul style="list-style-type: none"> • VPROs, code enforcement to ensure exterior maintenance of vacant buildings • Vacant property receivership • Targeted demolition • Housing rehab programs • Vacant lot maintenance and greening programs

CATEGORY	ELEMENT	STRATEGIES
Improving public services and neighborhood amenities	Improve education options	<ul style="list-style-type: none"> • Neighborhood engagement in local schools • Magnet schools • Charter schools • Educational enrichment after-school programs • Early childhood programs
	Public safety improvement programs	<ul style="list-style-type: none"> • Community-based policing strategies • Block watch programs • Crime-free housing programs
	Other public service improvements	<ul style="list-style-type: none"> • Improve garbage collection • Replace/upgrade street and sidewalk lighting • Street and sidewalk repairs
	Park and public realm programs	<ul style="list-style-type: none"> • Physical improvements to parks and playgrounds • Community engagement in park maintenance and programming • Creation of miniparks on vacant land or use of vacant land to expand existing parks • Tree planting and beautification programs • Street and sidewalk improvements
	Arts, culture and placemaking	<ul style="list-style-type: none"> • Enhance the neighborhood with visual arts (murals, sculpture, etc.) • Engage youth through arts activities and programming • Animate existing or create new venues for musical and other performances • Use arts to create distinctive sense of place

CATEGORY	ELEMENT	STRATEGIES
	Transportation	<ul style="list-style-type: none"> • Access to commuter rail or light rail service • Access to bus or bus rapid transit service • Adequate off-street parking • Walkability
	Improving the quality of rental housing	See above
	Vacant property strategies	See above
	Strengthening commercial corridors	See below
Building a strong neighborhood-level economy	Strengthening commercial corridors	<ul style="list-style-type: none"> • Main Street and/or BID programs • Promotional activities and events (sidewalk sales, farmers' markets) • Façade and window improvement programs • Pop-up stores and venues
	Small business development programs	<ul style="list-style-type: none"> • Increase capital access for small business growth • Small business associations • Targeted small business recruitment • Areawide or shared marketing programs • Special event programming
	Industrial attraction and retention programs	<ul style="list-style-type: none"> • Targeted recruitment to fill vacant industrial spaces • Increase capital access for small industrial firm growth • Technical assistance programs to small firms

CATEGORY	ELEMENT	STRATEGIES
	Building anchor institution linkages	<ul style="list-style-type: none"> • Employer-assisted housing programs • Job linkage programs • Anchor institution neighborhood programming • Anchor institution investment in neighborhood
Improve social and community services		<ul style="list-style-type: none"> • Provide better public health and health care programs • Neighborhood/family service centers • Senior citizens centers • Youth programs and facilities
Developing the neighborhood's human capital	Workforce development	<ul style="list-style-type: none"> • Integrated workforce development programs for adults • Training and work experience programs for youth
	Improving job linkages	<ul style="list-style-type: none"> • Internships and apprenticeship programs with local employers • Job linkage programs with major anchor institutions
	Improving education options	See above

CATEGORY	ELEMENT	STRATEGIES
<p>Building stronger community cohesion and social capital</p>	<p>Creating strong neighborhood cohesion through informal and organizational networks</p>	<ul style="list-style-type: none"> • Support existing or create civic/neighborhood associations • Outreach to residents, particularly tenants • Community history and identity projects • Community-building activities, such as fairs and block parties • Build block watch or similar sub-neighborhood groups • Build organizations around shared interests or activities such as sports or greening. • Build linkages between neighborhood associations and city government agencies • Conduct advocacy campaigns around neighborhood priorities



Lee-Harvard, Cleveland © 2021 Google

BUILDING NEIGHBORHOOD STABILITY

Neighborhood stability is the sum of those factors that give a prospective homebuyer confidence that her psychological as well as financial investment in a home will not be wasted or significantly devalued over time. Three distinct neighborhood features appear to have the greatest impact on buyers: *property conditions, school conditions and safety*. These are shown in Table 2 along with some of the strategies that can be used to address them. While there are many other things that homebuyers may look for, if a neighborhood is weak in all three elements, or even two out of three, many prospective buyers will not look further.

Every building and lot should contribute positively to the neighborhood, or at a minimum do no harm. Vacant boarded or unsecured buildings, visibly run-down occupied buildings, and trash-strewn vacant lots, do harm. They send signals that the neighborhood is in trouble. It does not take many such properties to devalue a block or a neighborhood. A program that rehabilitates or demolishes an abandoned building here and there, while leaving other abandoned buildings on the

same blocks standing, is unlikely to have much impact.

The importance of schools and safety is largely self-evident. While lack of good educational options is a powerful deterrent to families with children, it matters to other households as well because strong schools are widely seen as driving house values, and signifying neighborhood stability. Good educational options can be high-performing public schools, as in Chicago's Chatham neighborhood, an outstanding charter school like St. Louis' City Garden Montessori School, or even easy access to strong suburban districts which accept city students, which has helped stabilize Detroit's Grandmont-Rosedale neighborhood.

While prospective buyers can see for themselves whether the neighborhood is dotted with vacant or run-down properties, a neighborhood's safety or good school options are not self-evident to outsiders. They need to be communicated.



Chatham, Chicago © 2021 Google

BUILDING NEIGHBORHOOD AMENITIES

While improving neighborhood stability increases neighborhood amenities, many other things can be neighborhood amenities, that is, *positive neighborhood features that may draw new buyers or retain existing owners*. Some of the most important ones are summarized in Table 3. Some may be more important for retaining existing owners, like the quality of public services, while others may matter more in attracting new buyers, like a station on a light rail line. Good public services are often taken for granted, but poor public services, such as poor street maintenance, irregular garbage pickup, or broken streetlights, can contribute to middle-class homeowners desire to look elsewhere.

Simply having a park in the neighborhood is not an amenity. An unutilized, poorly maintained, or unsafe park may have the same impact as having a large, abandoned building in the middle of the neighborhood. At the same time, as in Baltimore's Patterson Park neighborhood, restoring and

animating a historic park in conjunction with a CDC's housing rehab program, jump-started that neighborhood's revival.

The role of arts and cultural activities in both drawing new buyers and retaining owners is hard to quantify, but is clearly important. A vibrant arts and cultural scene can draw both artists and non-artists, contribute to building social capital, and enhancing the neighborhood's quality of life. It can send strong, positive messages about a neighborhood's cultural identity, something particularly relevant to African American neighborhoods. Art or culture are not generic; different forms or genres of art send different signals to different groups of people. A graffiti art mural, for example, may be seen as an amenity by young people oriented to hip-hop and rap music, but may send quite different messages to older people.

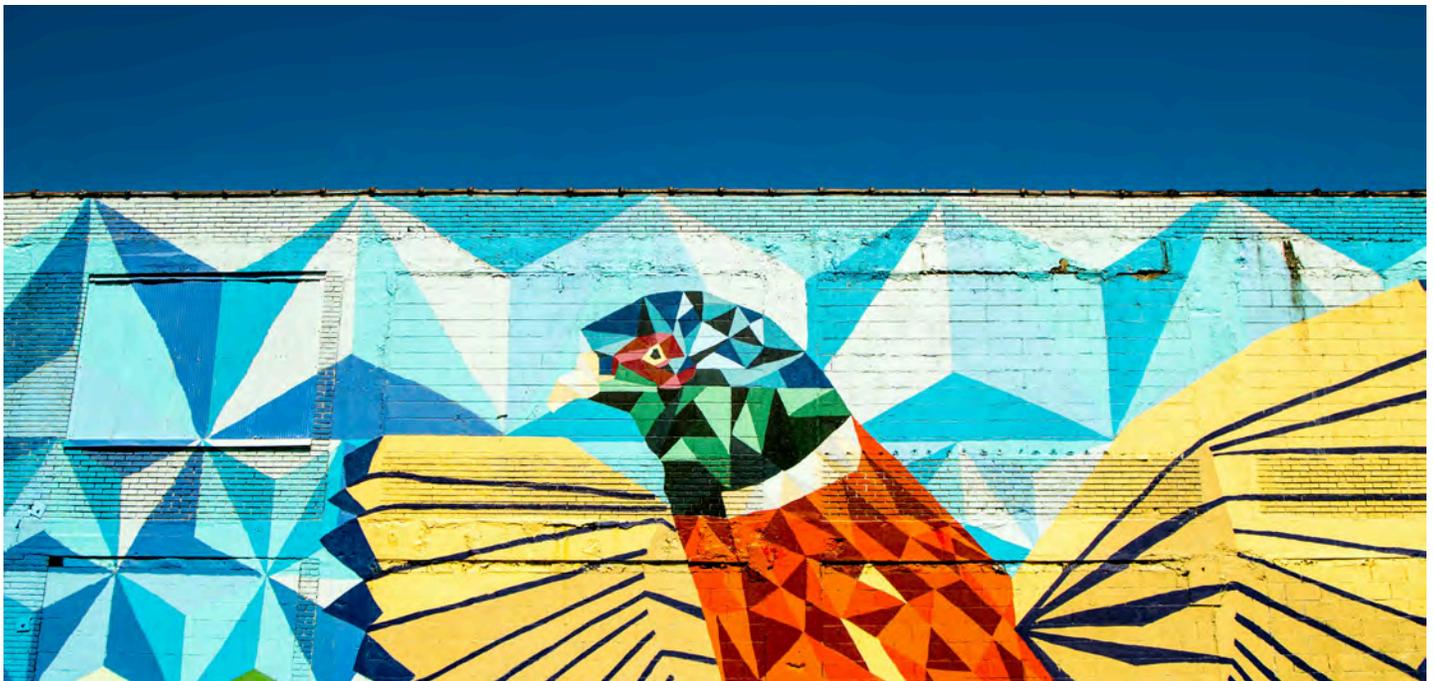


Photo by Hermes Rivera on Unsplash

TABLE 2: CORE NEIGHBORHOOD STABILITY ELEMENTS

ELEMENT	STRATEGIES
Improving the quality of rental housing	Strategic and performance-based code enforcement Landlord loan programs Other good landlord incentives Rental rehab programs CDC acquisition and management of rental housing
Vacant property strategies	Vacant property registration and code enforcement to ensure exterior maintenance of vacant buildings Vacant property receivership Targeted demolition Rehab programs Vacant lot maintenance and greening programs
Education improvement options	Neighborhood engagement in local public schools Magnet schools Charter schools Educational enrichment after-school programs Early childhood programs
Public safety improvement programs	Community-based policing strategies Block watch programs Crime-free housing programs

TABLE 3: NEIGHBORHOOD AMENITY ELEMENTS

ELEMENT	STRATEGIES
Quality of public services	<ul style="list-style-type: none"> Improve garbage collection Replace/upgrade street and sidewalk lighting Street and sidewalk repairs
Park and public realm programs	<ul style="list-style-type: none"> Physical improvements to parks and playgrounds Community engagement in park maintenance and programming Using vacant land to create miniparks or expand existing parks Tree planting and beautification programs Street and sidewalk improvements
Arts, culture and placemaking	<ul style="list-style-type: none"> Enhance the neighborhood with murals, sculpture, and other visual arts Engage youth through arts activities and programming Animate existing or create new performance venues Use arts to create distinctive sense of place
Transportation	<ul style="list-style-type: none"> Access to commuter rail or light rail service Access to bus or bus rapid transit (BRT) service Adequate off-street parking Walkability

BUILDING THE HOUSING MARKET

Neighborhood housing markets are driven by the “package” of stability and amenities a neighborhood offers. In theory, prospective homebuyers compare different neighborhood packages, weighing curb appeal, schools, transit, parks, and shopping, and make their choice. In reality, it is more complicated. Buyers’ ability to make informed choices, and the range of choices available, are affected by several important factors:

1. Buyers may not have accurate information, or may have *inaccurate* information, about neighborhood stability and amenities.
2. Buyers may not find suitable housing option in neighborhoods that meet their stability and amenity criteria.
3. Buyers may be unable to access homes they can afford in suitable neighborhoods by virtue of financial or other constraints.

The purpose of market-building strategies, as outlined in Table 4, is to ensure to the extent feasible that prospective buyers have accurate information about the neighborhood and are not prevented either by own financial constraints or a shortage of housing options from buying in the neighborhood.

Information is essential. A neighborhood with a great story that nobody knows is a neighborhood without a story. Homebuyers get information from real estate salespeople, co-workers, web sites and social media, as well as by driving around different neighborhoods. Organizations should use all

available media, beginning with word of mouth, to get their story to prospective buyers, both those already living in the region and those moving from outside the area.

The condition of the housing stock that comes on the market for would-be homebuyers to buy can be an issue. Houses in the newest middle-income neighborhoods in older cities are over 60 years old, and many are much older. They often need major work to comfortably accommodate a young family, and often lack basic amenities like a second bathroom. This can be a particularly serious problem in Black neighborhoods, because of the greater financial constraints of many previous owners.

Most homebuyers, especially with children, look for a house they can comfortably move into with little work. While they may like the neighborhood, if they cannot find a house that meets that threshold, they will look elsewhere. Many middle neighborhoods may need to grow the pool of houses in ‘move-in’ condition on the market.

Low house prices in many Black middle neighborhoods can potentially enable many households with modest incomes to afford them; indeed, *the cost to own a median-priced house in many of those neighborhoods is often less than the cost to pay the median rent.* Many renter families earning \$30,000 to \$45,000 a year may benefit by becoming homeowners, but are constrained by many factors, including information, training, funds

for down payment and closing costs, credit repair, and the lack of availability of small dollar amount mortgages.

Outreach to potential homebuyers, including families currently be renting in the neighborhood, can expand the pool of potential buyers for the

neighborhood's homes. Making a homebuying strategy work, however, involves putting together a seamless process beginning with outreach and including housing counseling, financial assistance where needed, lenders willing to provide mortgages, and an ongoing support system to ensure sustainable homeownership.

TABLE 4: HOUSING MARKET BUILDING ELEMENTS

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

BUILDING COMMUNITY COHESION AND SOCIAL CAPITAL

An important feature of sustained neighborhood vitality is the neighborhood's social capital, reflected in the nature of community life and the extent to which neighborhood residents exercise what sociologists call collective efficacy. Social capital has been defined as a combination of civic engagement and trust, or the extent to which people feel mutual obligations to one another. The concept of collective efficacy, which sociologist Robert Sampson has defined as social cohesion combined with shared expectations for social control," links social capital to neighborhood stability. It is the ability of neighborhood residents to establish and maintain norms of behavior in the neighborhood through informal means. Higher levels of neighborhood social capital are linked to greater neighborhood stability, and higher levels of *collective efficacy* to lower rates of neighborhood crime and violence, both important indicators of stability.

Community cohesion is most readily built through networks of organizations in which people engage, and the activities initiated by those organizations. Residents of strong, cohesive neighborhoods typically are involved many different types of neighborhood-based organization, which can include parents' organizations linked to schools, youth or sports organizations, affinity groups, block watches, business organizations, and broadly-based neighborhood and civic associations. Many residents are also likely to be involved other organizations like faith communities or fraternal organizations. Table 5 shows some of the activities

that can help build social capital in a neighborhood.

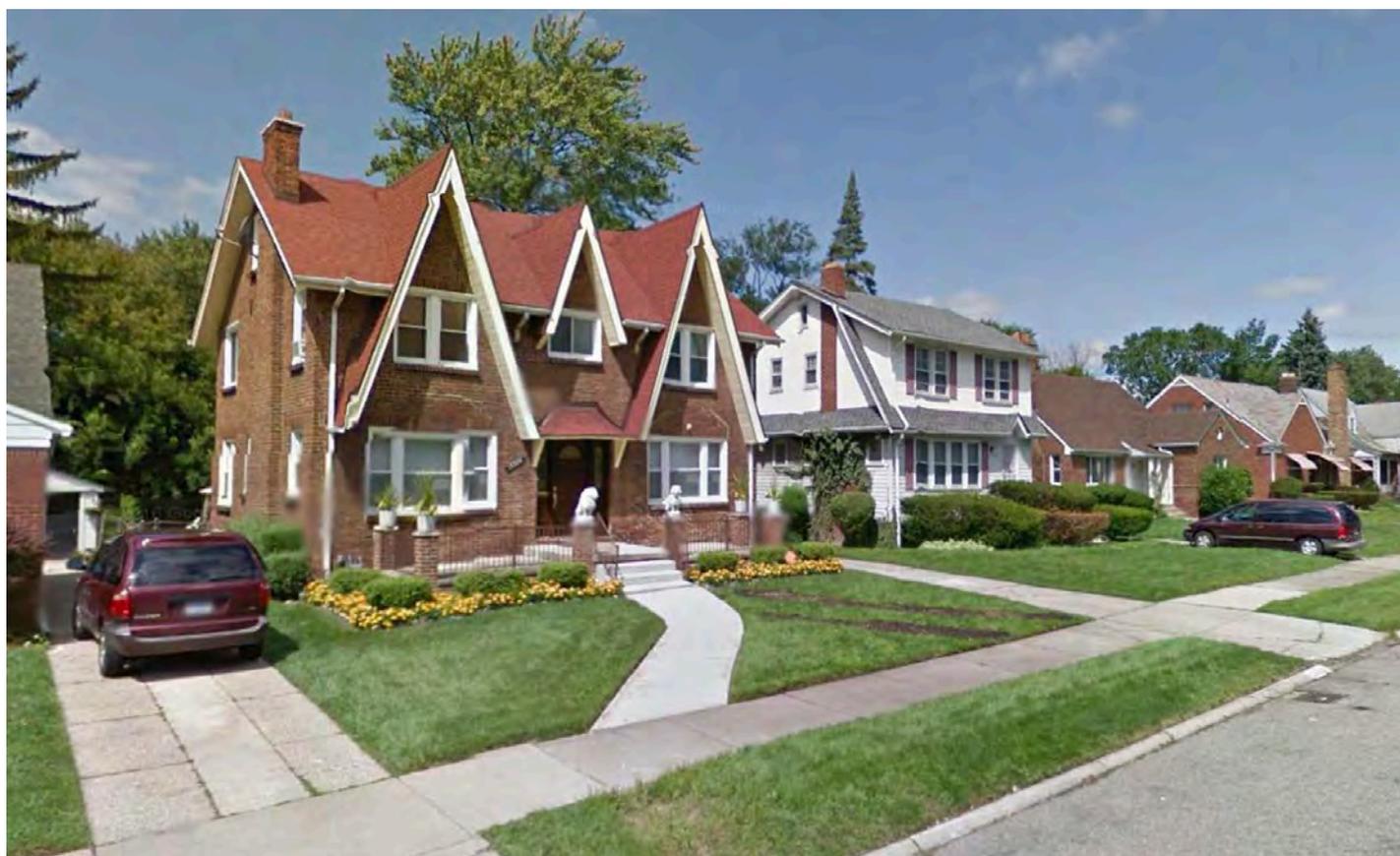
Large numbers of organizations, however, do not in themselves lead to increased social cohesion. For that to happen, the organizations must be *networked*, and they must be open or *welcoming*. By linking organizations with one another through formal and informal networks, they can help build cohesion across the neighborhood, rather than solely within the organization. By being welcoming, they can help integrate newcomers with people in the neighborhood and disseminate a shared neighborhood value system.

Organizations and individuals who come together through informal networks can pursue many activities that can build community cohesion. Those can begin with modest one-shot activities such as community fairs and block parties, and can include more ongoing efforts, such as neighborhood history projects or organizing community gardens. Sustaining them over time, however, is critical.

A community development corporation or similar entity can play an important role in this process. Some have deep and wide community roots and are part of the neighborhood's organizational network. By virtue of their staff and mission, they can help cultivate networked relationships between different neighborhood-based organizations, and mobilize them to work together on key neighborhood priorities, such as advocating for neighborhood improvements or fighting proposals that would do harm to the neighborhood.

TABLE 5: ENHANCING COMMUNITY COHESION AND SOCIAL CAPITAL

ELEMENT	STRATEGIES
<p>Creating strong neighborhood cohesion through informal and organizational networks</p>	<ul style="list-style-type: none"> Support existing or create civic/neighborhood associations Outreach to residents, particularly tenants Community history and identity projects Community-building activities, such as fairs and block parties Build block watch or similar sub-neighborhood groups Build organizations around shared interests or activities such as sports or greening Build linkages between neighborhood associations and city government agencies Conduct advocacy campaigns around neighborhood priorities



Crary-St. Mary's, Detroit © 2021 Google

CONCLUSION

We end where we began. Black middle neighborhoods matter. They are important not just for themselves and the people who live in them, but for the cities of which they are a part. Their stabilization and revival should be a priority for local officials and philanthropies; indeed, for all those concerned about the future of their city.

Many of these neighborhoods have rich potential for stabilization and reinvigoration. Although they are facing difficult challenges, they have strong social and physical assets for rebuilding. But rebuilding requires rethinking. Attempts to recreate them as they were in their early days of the 1970s and 1980s are unlikely to be fruitful. The world has changed profoundly since then, as have the characteristics of America's African American population. That population contains far fewer households raising children, in particular the

married couples who were once the bedrock of so many of these neighborhoods. It contains far more single people as well as blended, multigenerational and informal households of almost every possible configuration.

Today's households are looking for different things in a neighborhood than they once did and have more and different choices than they had fifty, or even twenty years ago. Yet many of these people are looking to become part of a community that is, in Nedra Sims Fears' words, "cooperative, supportive, loving and nurturing." The challenge for Black middle neighborhoods in legacy cities is how to change with the times, while retaining those features that made them supportive and nurturing to earlier generations.

WANT TO READ MORE?

This report is a summary of a longer working paper developed jointly by Lincoln Institute of Land Policy and Center for Community Progress. You can download Alan Mallach's full Lincoln Institute/Community Progress working paper by [clicking here](#) or visiting: <https://www.lincolninst.edu/publications/working-papers/making-comeback>.

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About Center For Community Progress

Founded in 2010, the Center for Community Progress is the national leader for building strong, equitable communities where vacant, abandoned, and deteriorated properties are transformed into assets for neighbors and neighborhoods. Today, Community Progress has affected change in more than 48 states and seven countries through leadership education and collaborative systems, policy, and practice reforms. Simply, we work to transform "Vacant Spaces into Vibrant Places."

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