



Investing in Middle Neighborhoods

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National
Community
Stabilization Trust

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CAUGHT IN THE MIDDLE

What are Middle Neighborhoods?

- Middle neighborhoods are neither healthy and thriving, nor overtly distressed
- Long seen as stable communities for middle- and working-class families, today many middle neighborhoods are on the edge of growth or decline
- As a result of demographic, socioeconomic, and market trends in regions across the country, middle neighborhoods are steadily disappearing
- Despite their prevalence in America's cities and suburbs, middle neighborhoods tend to be overlooked by national and local policymakers and philanthropies



Many Middle Neighborhoods Are Faltering In Their Sustainability

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



Middle neighborhoods facing gentrification and displacement

- Regions with strong economies and/or housing supply shortages
- Loss of affordable housing
- Risk displacement of lower-income renters, homeowners, and commercial tenants.
- A critical opportunity to:
 - Ensure that existing residents and businesses share in the community's growing prosperity.
 - Preserve affordable housing before it is lost.

Why Middle Neighborhoods Matter

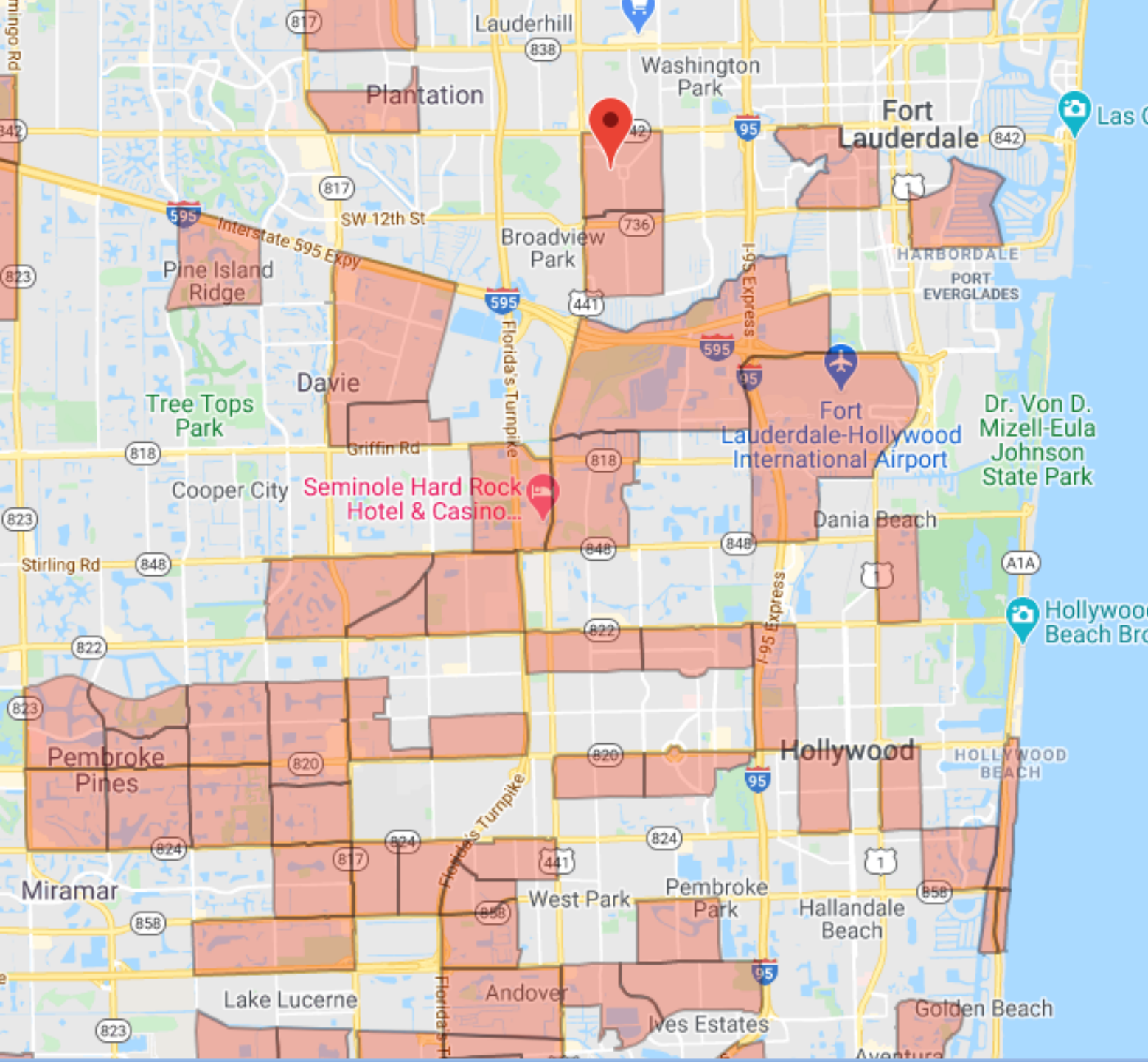
Investment in middle neighborhoods can help:

- Safeguard the home equity of middle households, many of whom are people of color.
- Bolster and protect city-wide fiscal health, thereby preventing reduced services or lower quality of life for residents.
- Maintain safe, affordable places to live with access to opportunity.
- In regions with strong economies and/or housing supply shortages, investment is needed to counter gentrification.
- There is a considerably higher cost of intervention in neighborhoods after they decline or gentrify.



Housing Strategies to Mitigate Displacement

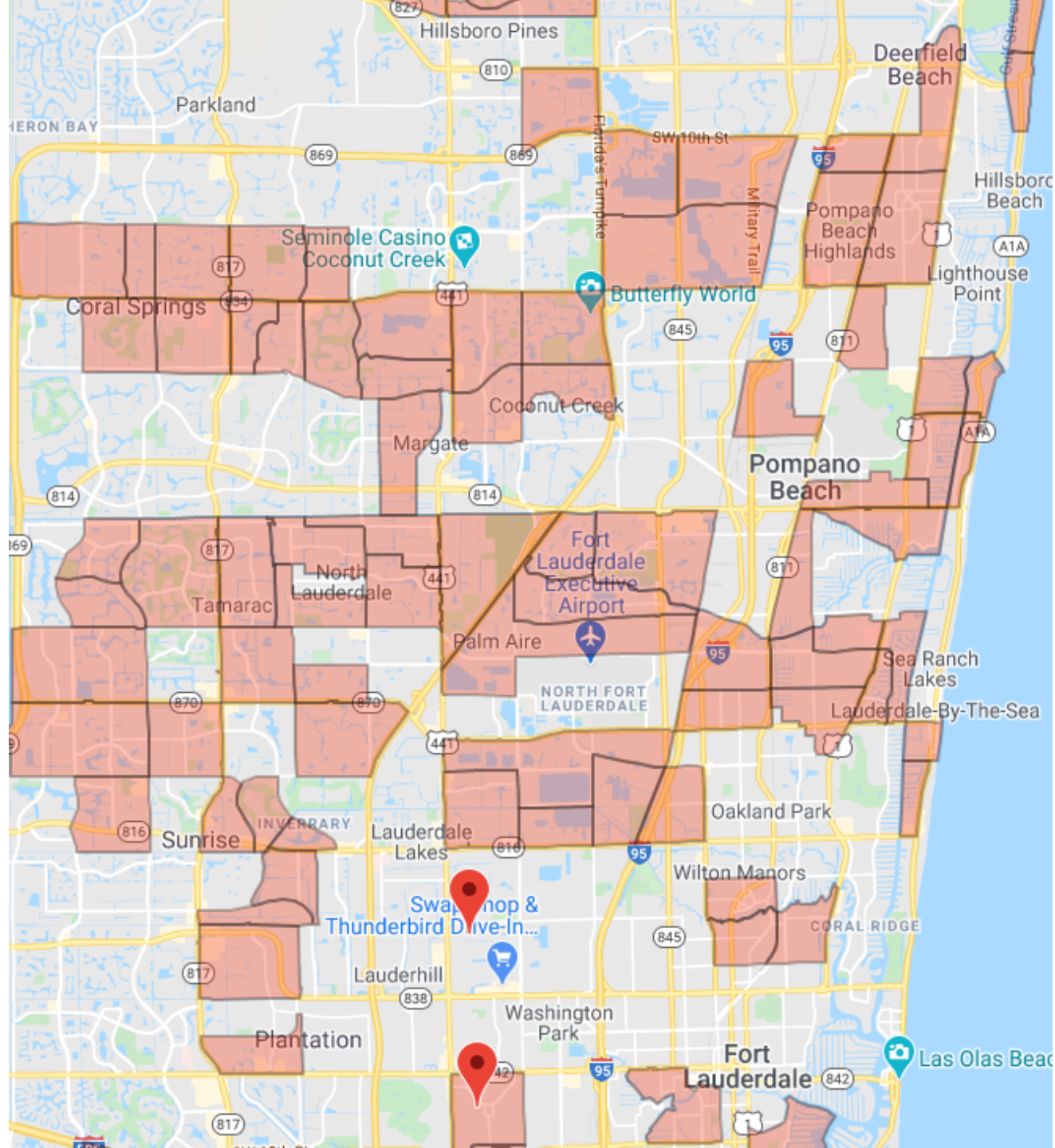
- **Acquisition/rehab by non-profits** for affordable homeownership
- Preservation of affordable homeownership: **community land trusts** or **shared equity** programs
- Grant or loan programs to **ensure long-time residents can invest** in their properties
- **Preservation** of subsidized and naturally-occurring affordable housing
- Tax relief aimed at **preventing displacement**
- **Creation of new affordable housing**: direct subsidization or inclusionary zoning
- Strategies to enable **voucher holders** to rent in stronger markets



Middle Neighborhoods in Broward County

- Showing areas with median household incomes between **\$43,390 and \$65,086, or 80-120%** of MSA median income

Source: 2014-2018 American Community Survey



Areas with median household incomes between \$43,390 and \$65,086 (80-120% of MSA median income)

Melrose Park, Fort Lauderdale: 568 W Evanston Circle



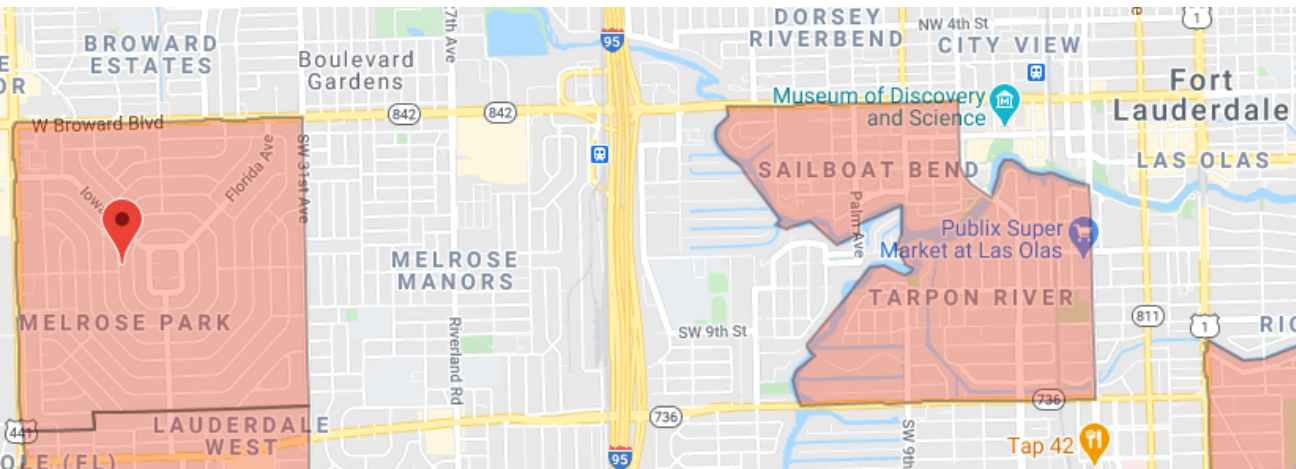
Before:



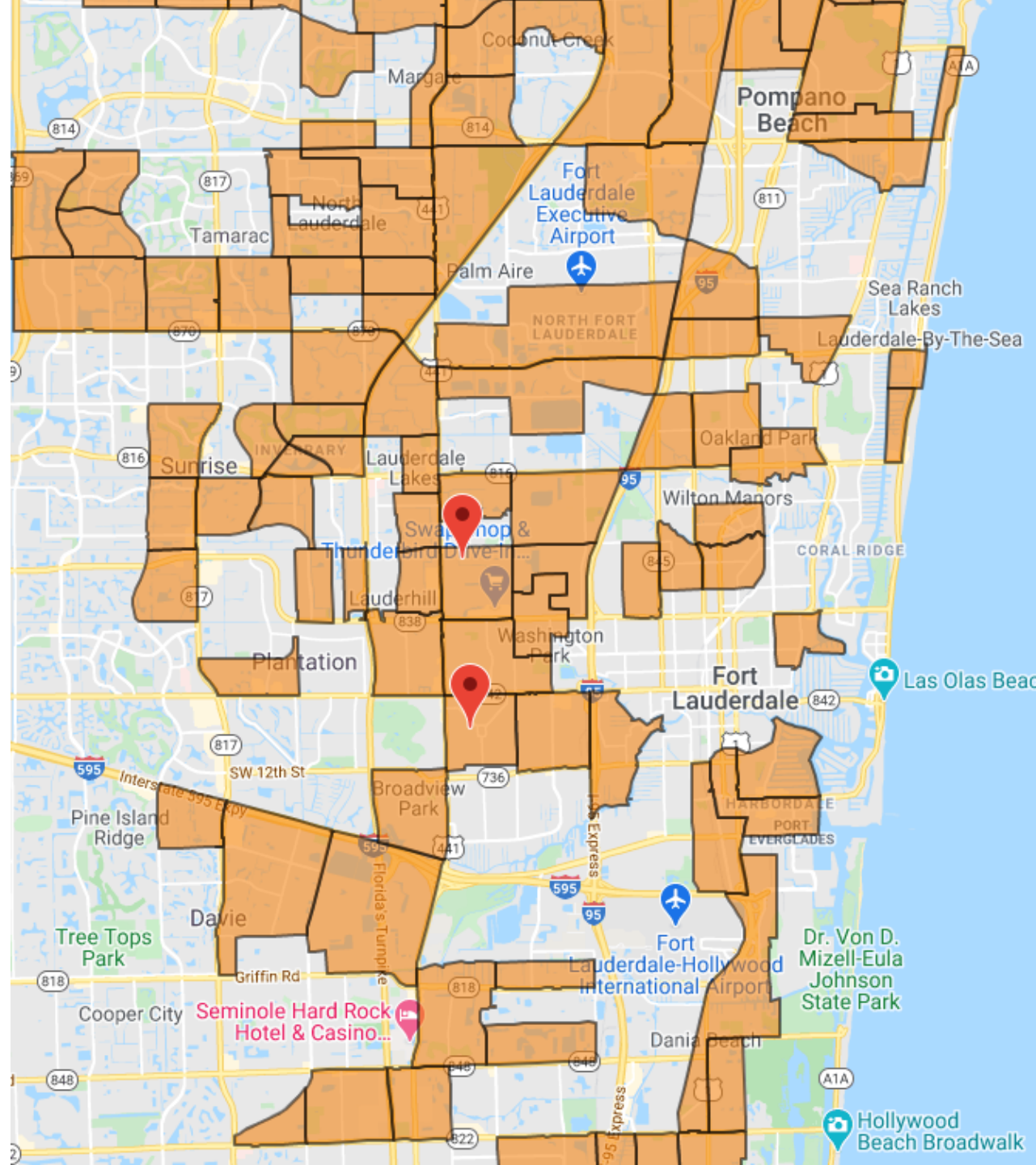
After:



- Rehab Cost = \$67,616
- Resale Price = \$300,000 (2020)



- Census tract median income: \$48,011 (88% of MSA median)



Areas with median household incomes between **\$32,543 and \$54,239**, or **60-100%** of the MSA median income

Lauderhill: 1721 NW 36th Avenue

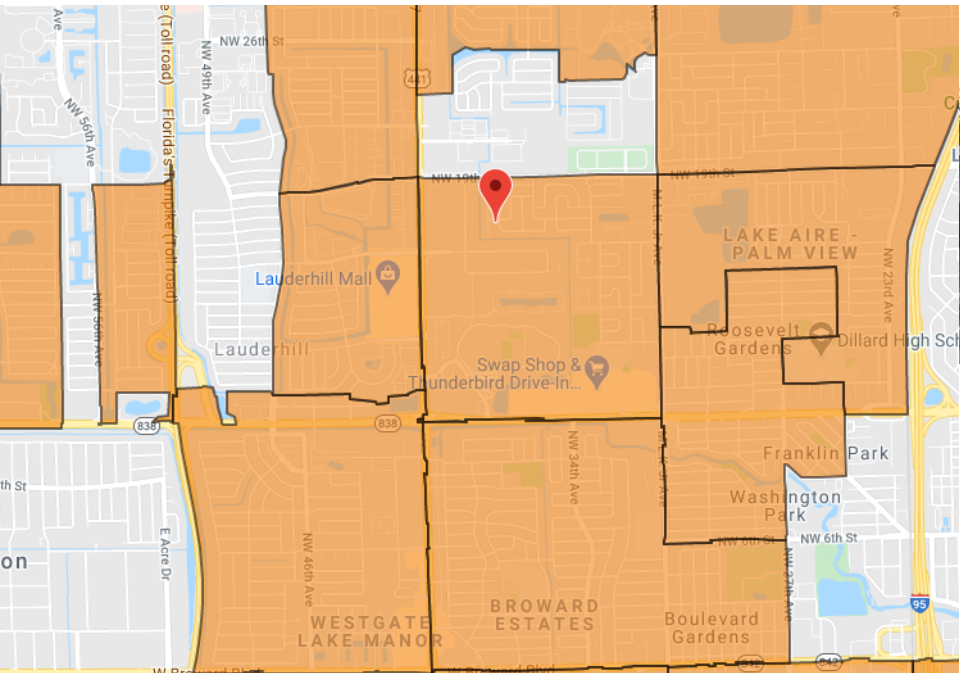
- Rehab Cost = \$28,000
- Resale Price = \$175,000 (2016)
- Census tract median income: \$36,671 (68% of MSA median)



Before:



After:



Middle Neighborhoods Initiative

- Today, the Middle Neighborhoods initiative encompasses:
 - A **National Initiative** focused on mobilizing attention to reverse the trend of the disappearance of middle neighborhood. The initiative does this through research, policy analysis, communications, and advocacy.
 - The initiative is coordinated by the **National Community Stabilization Trust** and is advised by a **Steering Committee** of 20 prominent researchers, practitioners, and policy makers.
 - A **Community of Practice** that facilitates facilitate peer-to-peer learning among middle neighborhood practitioners. The CoP connects over 200 practitioners and city officials to organizations interested in their efforts.
 - The CoP is supported by **NeighborWorks America** and staffed by a small team of organizers.



**MIDDLE
NEIGHBORHOODS**



MiddleNeighborhoods.Org

- Join the Community of Practice
- Explore maps of Middle Neighborhoods nationwide
- Learn more about our research and advocacy

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