Making the Comeback: Reversing the Downward Trajectory of African American Middle Neighborhoods in Legacy Cities

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Abstract

In this paper I examine trends in Black middle neighborhoods in six legacy cities between 2000 and 2018 and identify strategies for their stabilization and revival. I find that both socio-economic and housing market conditions in those urban neighborhoods that were predominately Black and middle income in 2000 have declined sharply in the two decades since then compared to predominately white middle-income neighborhoods in the same cities. In addition to the accumulated effects of racially invidious policies and practices, these neighborhoods' decline reflects the disparate effects of the foreclosure crisis and the Great Recession, but even more the shortfall of homebuyer demand relative to supply since then, which has led to a loss of homeowners, property deterioration and abandonment. I analyze the reasons for that shortfall and present a multifaceted framework for stabilization and revival of these neighborhoods which is grounded in the goals of strengthening quality of life and rebuilding housing markets, in order to both draw new homebuyers and motivate existing residents to remain.

About the Author

Alan Mallach is nationally known for his work on behalf of stronger, more inclusive cities, healthy neighborhoods and affordable housing opportunities. He is a senior fellow with the Center for Community Progress in Washington, DC, teaches in the Graduate Center on Planning and the Environment at Pratt Institute in New York City, has worked at the Brookings Institution and the Federal Reserve Bank of Philadelphia, and served as director of housing & economic development for the city of Trenton, New Jersey and executive director of the Atlantic County Improvement Authority. The author of many books, journal articles and research studies, his most recent book is *The Divided City: Poverty and Prosperity in Urban America,* which looks at the uneven effects of urban revival of Rust Belt cities on lower income residents and communities of color. He is currently co-authoring a book on neighborhood change. He is also a concert pianist and author of two well-received books on 19th century Italian opera. He holds a B.A. degree from Yale College, and lives in Roosevelt, New Jersey.

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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, often gaining new life from the arrival of African American families seeking better living conditions than those available in the segregated areas in which 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 few have seen revival or gentrification. Some have remained stable, seeing reinvestment without significant demographic change. Others, however, and in some cities most, have declined, often precipitously. These declines are visible in sharp drops in incomes, house prices and homeownership rates, higher poverty and unemployment rates, and growing numbers of vacant, abandoned homes and businesses.

Since the publication of *On the Edge: America's Middle Neighborhoods* in 2016, the challenges facing middle neighborhoods have increasingly become matters of policy concern across the United States, particularly in the older industrial cities of the Northeast and Midwest known as legacy cities. Yet as our shared understanding of middle neighborhoods and their trajectories has increased, a particular reality has become painfully apparent. In city after city, we find that the middle neighborhoods that are facing the greatest challenges, and that have seen the most precipitous declines over the past nearly two decades, are those predominately occupied by African American families. In the middle-class Black Chicago neighborhood where Michelle Obama grew up, although still a pleasant mixture of classic Chicago bungalows and medium-sized apartment buildings to the eye of the observer, over one-third of the population lives below the poverty level and 20 percent of the housing units are vacant. In cities where middle neighborhoods are generally declining, the decline among Black neighborhoods is more pronounced. In cities where revival is taking place, few are sharing in that revival.

Why this is happening is a complex matter, which I discuss later in this paper; the *fact* that this is happening, as I show in Section 2 of this paper, should be a matter of concern to anyone who cares about America's neighborhoods, America's older cities, or the people who live there. Why the decline of Black middle neighborhoods should be a matter of concern, however, is not a simple question. Some, seeing the recent increase in Black homebuying in the suburbs, might argue that these neighborhoods, much as was true of many immigrant neighborhoods of the 1920s, have fulfilled their historic function, that they are no longer needed, and that in the end the market will figure out whether they still have a role to play in the 21st century.

I do not accept that argument, for several reasons. Despite the American custom of moving 'up and out', neighborhoods are not disposable. The decline of Black middle neighborhoods has meant that that thousands of families—including many elderly homeowners—have seen their wealth and their quality of life disappear. These neighborhoods have not only a physical fabric that is itself an asset, but an economic and social fabric that is distinctly part of the African American experience in the United States. Both are worth saving. 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." Lauren Hood, owner of Deep Dive Detroit, adds that her city "needs not just places, but whole neighborhoods, where black people feel welcome—it's essential to our emotional and mental well-being. Safe black space is where black people are free from judgement. Free to be loud in conversation, laughter, music, and dress. Free to gather in large groups and not be perceived as a threat. Free to talk openly about race and not be classified a separatist or race baiter. Free from profiling. Allowed to be seen and acknowledged."

The role these neighborhoods play goes beyond this. As Chicago's 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 in the cities of which they are a part. They also represent a body of valuable fixed assets, in terms of homes and businesses, as well as parks, schools and other community institutions.

This paper takes the position that these places matter, and asks the question: how can we stabilize and revive these neighborhoods so that they remain, or become again, the supportive, nurturing communities that Fears is working for? The last part of this paper is devoted to trying to answer that question. Starting with the central task of rebuilding housing demand, I look at neighborhood stability, amenities, and other issues, including economic development, human capital, and the reconstruction of community cohesion, efficacy, and social capital.

To get there, however, it is important first to understand the problem clearly. To do so, I will show how Black middle neighborhoods have changed from 2000 to 2018 in six large legacy cities: Baltimore, Philadelphia, Chicago, Milwaukee, Cleveland, and Detroit. All these cities had clusters of vital Black middle neighborhoods in 2000, although many were already challenged by serious social and economic stresses and strains. I look at what happened to those neighborhoods between 2000 and 2018, compare how these neighborhoods' trajectories differed by city and differed from trends in predominately white middle neighborhoods in the same city over the same period. I also look for the presence of outliers: are there individual neighborhoods that stand out, that did *not* decline as most of their peer group did?

Neighborhood Trajectories: 2000 to 2018

While the concept of a middle neighborhood is not hard to grasp, it does not lend itself naturally to quantification[1], and is made more complicated by the great variation in income levels and distributions from city to city. The median household income in Chicago, for example, is nearly double that of Detroit or Cleveland. If one defined middle neighborhoods as those in the middle of *each city's* income distribution, one would be comparing neighborhoods of utterly different character in different cities[2]. In order to be able to compare roughly similar neighborhoods, I have adopted a uniform definition; neighborhoods where the median income fell in the range from $40,000 to $75,000 in 2018 dollars, roughly equivalent to 65[3] to 125 percent of the national median household income at that point. Thus, middle neighborhoods in 2000 are those in the same income range adjusted for inflation since 2000, or $26,490 to $49,613[4].

I divided all those neighborhoods into three categories: predominately white (less than 30 percent Black), mixed (at least 30 percent but less than 80 percent Black), and predominately Black (80 percent or more Black). In today's cities, of course, population distributions are often far less binary, in the sense of being either Black or generically not-Black, that may once have been the case. Chicago, for example, is nearly one-third Latinx, while Milwaukee's Latinx population is approaching twenty percent. In practice, what this means is that neighborhoods that are classified as predominately white in this report are often likely to be predominately Latinx in their ethnic character[5]. While that affects those neighborhoods' character, and in all likelihood their trajectory, it does not directly affect predominately Black neighborhoods.

Within the universe of Black middle neighborhoods, I look at their trajectories from 2000 to 2018 in terms of household income, whether they remained middle neighborhoods by 2018, as well as other factors, including population change, poverty rate, homeownership rate, housing vacancy rate, and the share of households made up of child-rearing married couples. I also looked at housing market trends, in terms of sales prices, sales volumes and the percentage of home sales to investors or absentee buyers compared to homebuyers, people buying for the purposes of becoming homeowners. I look at these factors first in absolute terms, and then compare them to the trajectories of predominately white and mixed middle neighborhoods over the same period. The purpose of this assessment is not to provide a complete picture of any neighborhood, but rather to establish overall patterns and provide a framework to discuss the reasons for these trajectories and find strategies that may help stabilize or reverse them.

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[1] I discuss this problem in detail in an earlier working paper, America's Middle Neighborhoods: Setting the Stage for Revival (Lincoln Institute 2018).

[2] In all cases, I used census tracts as the surrogate for neighborhoods. The two terms are used interchangeably in this paper. I used the Geolytics Neighborhood Change Data Base to reconcile 2000 and 2018 census tracts boundaries.

[3] I looked at using 75 percent of the national median as the lower bound, which, rounded would translate to $45,000 in 2018. While seemingly a more reasonable cut off point, it would have had the effect of drastically reducing the number of qualifying neighborhoods, in most of the sample cities by one-third or more. At the high end, there were hardly any Black neighborhoods in these cities in 2000 with a median income above that level.

[4] For all inflation adjustments I used the Consumer Price Index change from July 1999 to July 2018, which was 1.5117. 2000 census data reports household incomes for 1999; 2014–2018 American Community Survey (ACS) data, which I used for the 2018 comparison, inflates all prior year income data to 2018.

[5] Very few Latinx people self-identify as Black in the census or ACS. In Chicago in 2017 only 1.5 percent of Latinx respondents identified as Black; roughly three-fifths identified as white, and nearly all the remainder as 'other'.

Social and economic trajectories

Tables 1 and 2 summarize the social and economic trajectories of Black middle neighborhoods in the six sample cities, with the national trends for the same period shown for purposes of comparison. Table 1 shows change in key rates, while Table 2 shows percentage change in the number of people or households in different categories. While the national picture is one of modest decline in all four of the indicators shown, the decline in these neighborhoods was far more pronounced.

Table 1: Neighborhood Indicators for Black Middle Neighborhoods, 2000 and 2018

	Median household income change in constant $$	Homeownership rate		Poverty rate		Share of child-rearing married couples		Vacancy rate[6]	
		2000	2018	2000	2018	2000	2018	2000	2018
Baltimore	-12%	59.5%	53.9%	17.3%	21.4%	10.6%	6.3%	11.9%	18.2%
Chicago	-31%	53.8%	47.4%	20.1%	25.6%	11.6%	6.7%	8.0%	17.5%
Cleveland	-41%	68.9%	55.2%	15.7%	30.5%	11.6%	4.0%	8.0%	20.6%
Detroit	-41%	64.6%	52.9%	20.4%	33.5%	13.6%	5.4%	6.9%	25.5%
Milwaukee	-29%	49.0%	41.5%	22.1%	29.4%	12.0%	8.3%	7.5%	13.4%
Philadelphia	-21%	68.6%	61.0%	19.2%	24.3%	11.7%	6.0%	10.3%	15.3%
UNITED STATES	-5%	66.2%	63.9%	12.4%	14.1%	23.9%	19.0%	9.0%	12.2%

Source: Census of Population, American Community Survey[7]

While the severity of the decline varied from city to city, *every* city's African American middle neighborhoods showed a decline in *every* indicator greater than the national rate of change over the same period. While this was not true of every neighborhood, neighborhoods that did not decline significantly are outliers, exceptions to the rule. Homeownership rates and the share of married child-raising couples in the neighborhood, both key indicators of what might be called middle-class stability, dropped sharply in all the cities. The number of homeowners dropped by 6,000 in Baltimore and Philadelphia, 16, 000 in Chicago and 32,000 in Detroit. In many cases, they were replaced by absentee investors, in others, their homes remained empty.

The decline in household incomes in most Black middle neighborhoods was such that most of the neighborhoods that were in the middle-income band in 2000 had dropped into lower income bands by 2018. That was true of 7 out of 10 such neighborhoods, as shown in Table 3. Only 2 out of 342 census tracts moved into the upper income bands. This reflects the reality that gentrification, despite widespread fears and concerns, is an extreme rarity among these neighborhoods. Why this is so will be discussed further below.

[6] Because of differences in survey methodology, 2018 ACS vacancy rates may be 10–15 percent higher than those that would be found if determined using the same methodology applied in the 2000 Census.
[7] Except where otherwise specified, the source for all tables is the 2000 census and subsequent American Community Survey data as analyzed by the author.

Table 2: Change in Key Neighborhood Indicators for Predominately Black Neighborhoods, 2000 to 2018

	Change in number of homeowners	Change in number of child-raising married couples	Change in number of vacant housing units	Change in population
Baltimore	-16%	-45%	53%	-7%
Chicago	-20%	-48%	121%	-19%
Cleveland	-30%	-70%	162%	-23%
Detroit	-35%	-69%	269%	-28%
Milwaukee	-18%	-33%	84%	-8%
Philadelphia	-14%	-50%	51%	-5%

The degree of decline shown in these tables was not necessarily typical of all or most middle neighborhoods in these cities (except for Detroit), but reflects a trajectory that was particularly pronounced in African American middle neighborhoods. That does not mean that there was no decline among white middle neighborhoods. There are demographic, economic and policy forces driving urban middle neighborhood decline across racial lines. While many white middle neighborhoods have also declined since 2018, however, far more have remained stable, or seen significant economic gains.

Table 3: Changes in Neighborhood Category by 2018 for Black Middle Neighborhoods in 2000

	Became lower income in 2018	Remained the same in 2018	Became upper income in 2018	Number of Tracts
Baltimore	16	29	0	45
Chicago	76	42	1	119
Cleveland	15	1	0	16
Detroit	98	12	1	111
Milwaukee	11	0	0	11
Philadelphia	24	16	0	40
TOTAL	240	100	2	342

Table 4 compares how key indicators have shifted in predominately white (<30% black) and predominately Black (80%+ Black) neighborhoods, and the size of the variation between the two. In *every* city, with respect to *every* indicator, the decline in Black middle neighborhoods was greater than among white middle neighborhoods. Nonetheless, there was considerable variation in the *extent* of the difference. For example, the variation between white and Black neighborhoods with respect to change in household income was far less in Detroit and Cleveland than in the other cities. That, however, does not reflect greater shared improvement, but more widely shared decline. In both of those cities, the extent of economic decline since 2000 has been so pervasive that few neighborhoods have been immune from their effects, although conditions in both cities appear to have improved somewhat in more recent years.[8]

Table 4: Comparative Change in Predominately White and Predominately Black Middle Neighborhoods on Key Indicators, 2000 to 2018

	Change in population			Change in number of child-raising married couples			Change in number of homeowners			Change in median household income in constant $$		
	White	Black	Var.	White	Black	Var.	White	Black	Var.	White	Black	Var.
Baltimore	+4%	-7%	-11%	-3%	-45%	-42%	-7%	-16%	-9%	+41%	-12%	-53%
Chicago	-4%	-19%	-15%	-26%	-48%	-18%	+5%	-20%	-25%	-8%	-31%	-23%
Cleveland	-3%	-23%	-20%	-44%	-70%	-26%	-19%	-30%	-11%	-32%	-41%	-9%
Detroit	-7%	-28%	-21%	-13%	-69%	-56%	-21%	-35%	-14%	-37%	-41%	-4%
Milwaukee	+8%	-8%	-16%	-12%	-33%	-21%	-1%	-18%	-17%	-11%	-29%	-18%
Philadelphia	+12%	-5%	-17%	-16%	-50%	-34%	-6%	-14%	-8%	0%	-21%	-21%

Var. = variation between categories (difference in percentage change)

These disparities are affected by the extent to which predominately white neighborhoods are likely to be significantly or predominately Latinx identifying as white, as distinct from non-Latinx white. There are major differences between the cities in that respect. In Detroit, although there are few largely white middle census tracts, almost all of them are predominately Latinx, all within or close to Southwest Detroit. In Philadelphia, although it has a much larger Latinx population than Detroit, only 2 out of 122 white middle census tracts had a Latinx population share greater than 25 percent, and none had more than 30 percent. In Chicago, roughly half of the white middle neighborhoods are majority Latinx. Although a detailed analysis of disparities between predominately Latinx and non-Latinx middle neighborhoods is beyond the scope of this paper, it is worth noting that among predominately white middle neighborhoods in Chicago, those with 60 percent or greater Latinx 2000 population share showed significantly less income growth on the average compared to those with a smaller Latinx share.

Housing market trends

Neighborhood housing markets drive many of the social and economic trends that were shown in the preceding section. A decline in the number of homeowners signifies a shortage of home buyers as distinct from absentee investors in the marketplace, while an increase in vacancies above some level signifies an overall absence of buyers or tenants. While one may be able to draw some inferences about the strength or weakness of the market from social and economic indicators, it is important to look at market conditions directly as well. Using data provided by CoreLogic[9], I looked at two fundamental indicators of the strength of the housing market in a neighborhood—the price houses are selling for, and the number of sales taking place.

[8] The greatest part of the decline took place between 2000 and 2011, reflecting the effects of the Great Recession. Since 2011, both Black and white households in these two cities have seen their income growth slightly exceed the CPI, while the rate of income growth has been roughly comparable for both groups.
[9] All tables and figures in this section are based on analysis of CoreLogic data by the author.

Sales price

The price for which houses sell is the single most powerful measure of how well the market is doing. Prices below replacement cost; that is, prices too low to support either rehabilitation of existing homes or construction of new homes on infill lots, discourage investment—except perhaps by speculative investors—and may ultimately lead to abandonment, as it becomes more expensive to maintain or upgrade them than can be justified by their market value.[10]

Sales volume

The second key measure is sales volume. A healthy housing market needs enough buyers to absorb the supply of housing coming on the market. If there are too few buyers, prices fall below replacement cost, properties may sit empty for long periods and may ultimately be abandoned. Conversely, too many buyers can overheat the market, or be a sign of speculation and flipping.

In looking at sales volumes, we start with the basic proposition that turnover of existing houses in a typical neighborhood averages around 7 percent per year (the "sales ratio").[11] Allowing room for variation, that tells us that an annual volume of home sales equal to 5 to 9 percent of the existing houses in a given neighborhood is needed to ensure that all houses, when they become available through normal turnover, are bought and reoccupied within a reasonable period. We refer to this as the "replacement range." Significantly lower sales volumes are likely to lead to property disinvestment and deterioration, and if continued over time to abandonment, as movers are unable to find buyers to replace them.

I look at these two variables in three of the six cities—Chicago, Cleveland, and Philadelphia. In Cleveland, I also look at the percentage of sales going to investors rather than homebuyers, a moving target which has been highly volatile over the past two decades. Rather than look at two fixed points in time—as I did for social and economic measures—I look at year by year change in these variables from 2000 to 2018.

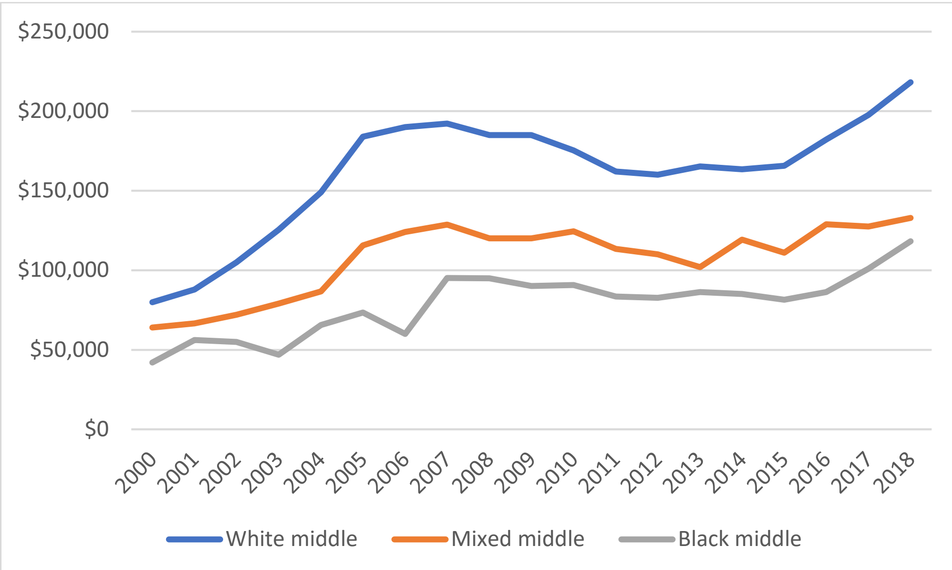
Philadelphia

Philadelphia is widely considered one of the more thriving legacy cities. In recent years, it has seen strong job growth and stabilized its population, while Center City has become vibrant and dynamic. Its housing market, however, is sharply divided by both race and geography. White and Black middle neighborhoods have followed sharply different price trajectories since 2000, as shown in Figure 1[12]. While white neighborhoods saw dramatic price increases during the years of the post-2000 housing bubble, with median prices nearly tripling from 2000 to 2006, Black middle neighborhoods saw a more modest bubble effect and subsequent decline. The median

[10] Contrary to some perspectives, very low sales prices do not foster increasing housing opportunity for low income homebuyers, since few households which have a realistic prospect of becoming homeowners cannot afford a house at a modest but reasonable price, depending on taxes and other costs, of $80,000 to $150,000.
[11] See, e.g., F.J.Fabozzi, *The Handbook of Mortgage-Backed Securities*, New York, NY: McGraw-Hill (2005);); M. Piazzesi and M. Schneider. "Housing and macroeconomics." *Handbook of macroeconomics*. Vol. 2. Elsevier, 2016. 1547–1640.
[12] All reference to median sales prices in this section refer to the median case of the tract median prices.

sales price in Black middle neighborhoods has remained roughly half of the median sales price in white middle neighborhoods over the entire period. Only 4 out of the 40 Black middle neighborhoods had 2018 sales prices over $200,000 (well below the median for white middle neighborhoods), while 18 had median prices under $100,000.

Figure 1: Sales Price Trends in Philadelphia Middle Neighborhoods by Racial Category, 2000 to 2018



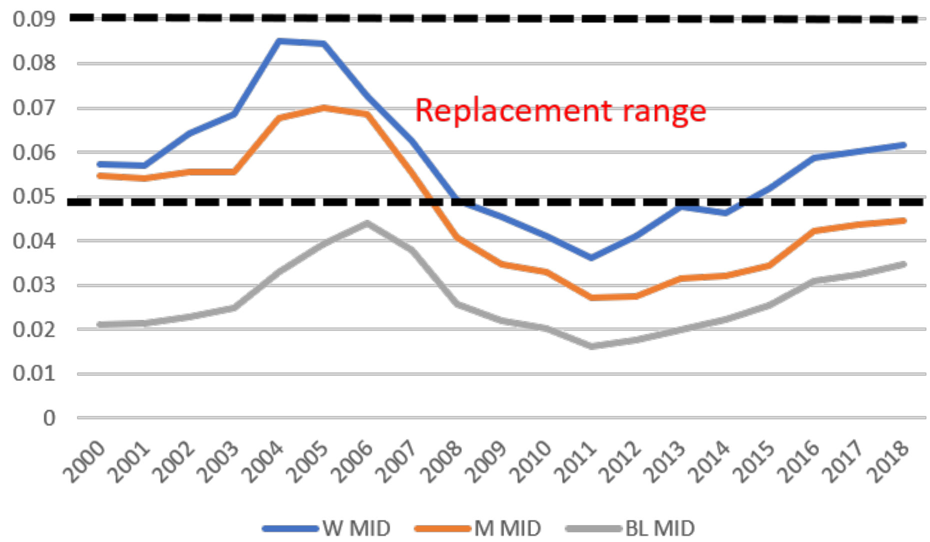
The disparities are similar, but in some respects more problematic, with respect to sales volumes. Philadelphia sales ratios—the ratio between the number of sales and the total number of single-family properties—present a troubling picture (Figure 2). Overall, as is true in much of the nation, the number of home sales rose sharply during the early 2000s and then declined precipitously when the bubble burst in 2006 and 2007. Since bottoming out—which took place in 2011 in Philadelphia—they have gradually risen again, although well short of bubble levels. Sales ratios in the Black middle neighborhoods, however, although rising steadily since bottoming out in 2011, remain well below the level needed to replace homes being vacated at normal turnover rates. This problem is not unique to Philadelphia but is faced by the great majority of Black middle neighborhoods in legacy cities.

Chicago

Chicago has a relatively strong but highly uneven housing market, which is sharply bifurcated by race and geography. The racial disparities between market conditions in white and Black middle neighborhoods are even sharper in Chicago than in Philadelphia; moreover, while in Philadelphia, neighborhood trend lines roughly parallel one another, in Chicago, Black middle neighborhoods are steadily falling behind their white and mixed counterparts.

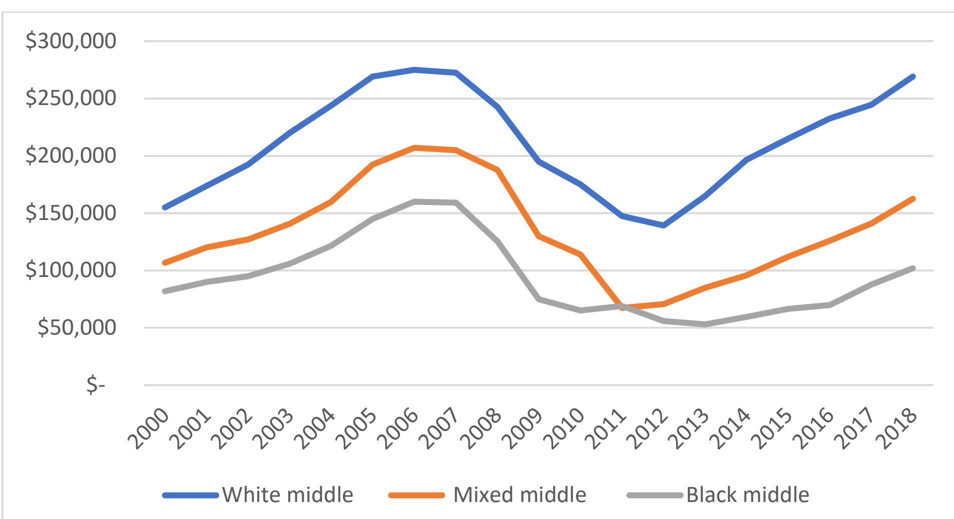
Figure 3 shows sales price trends for middle neighborhoods in Chicago. As elsewhere, all areas shared in the bubble market from 2000 to 2006 or 2007, and then saw prices fall sharply. In Chicago, however, while white middle neighborhoods have since regained all the value lost in

Figure 2: Sales Ratios (Ratio of Sales to Single Family Stock in Philadelphia Middle Neighborhoods by Racial Category, 2000 to 2018



the foreclosure crisis and the recession, and mixed middle neighborhoods are back to 80 percent of their peak, Black middle neighborhoods have seen much less recovery. In 2018, sales prices in Black middle neighborhoods—even after gains since 2016—were only slightly more than 60 percent what they had been at their peak in 2006. Put differently, while the median sales price in Black middle neighborhoods in 2000 was slightly over half of that in white middle neighborhoods, by 2018 it was only slightly more than one-third.

Figure 3: Sales Price Trends in Chicago Middle Neighborhoods by Racial Category 2000 to 2018



The effect of the disparity shown in Figure 3 is presented in Table 5, which shows the actual distribution of median prices by neighborhood type. It is striking that the disparity in prices between non-Latinx white neighborhoods and majority Latinx neighborhoods was small, far less than the disparity between white and Black neighborhoods. Median sales prices were over $300,000 in 44 percent of the white non-Latinx neighborhoods and 37 percent of Latinx middle neighborhoods. That was true of only 14 percent of the mixed middle neighborhoods, and only 1 percent of the Black neighborhoods.

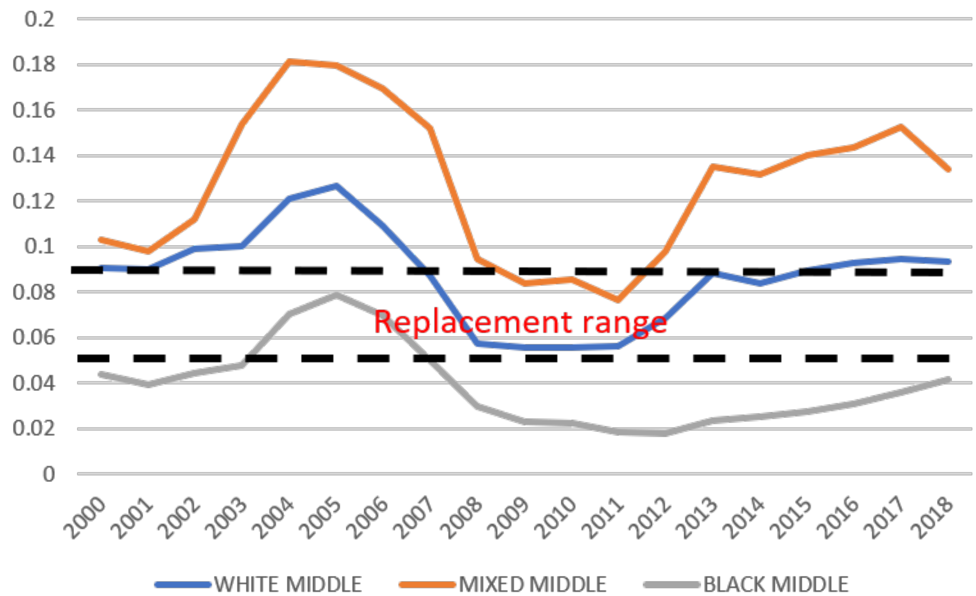
Table 5: Distribution of 2018 Median Sales Prices by Tract for Chicago Middle Neighborhoods

	WHITE MIDDLE NEIGHBORHOODS		MIXED	BLACK
	<50% LATINX	50%+ LATINX		
<$100,000	0%	7%	17%	54%
$100,000–$199,999	25%	33%	49%	38%
$200,000–$299,999	31%	30%	20%	7%
$300,000–$399,999	22%	17%	12%	1%
$400,000+	22%	20%	2%	0%

At the other end of the spectrum, over half of the Black middle census tracts have median sales prices under $100,000, a price well below replacement cost for most Chicago houses. This was not true in 2000, where only 6 percent of Black middle neighborhoods had median prices under $100,000, adjusted for inflation. On the average, house prices in Black middle neighborhoods in Chicago have declined by 18 percent in constant dollars since 2000, while house prices in white middle neighborhoods have risen, despite the foreclosure crisis and recession, by 13 percent.

While overall ratios tend to be inflated in Chicago because of the larger share of 2 to 4 family houses, which make up 50 percent of the city's 1 to 4 family housing stock compared to 14 percent in Philadelphia, the disparity in sales volumes between Black and white middle neighborhoods in Chicago is much more pronounced than in Philadelphia, with houses selling in white neighborhoods at nearly three times the volume of sales in Black neighborhoods. While volumes generally have not returned to the overheated levels of the early 2000s, white neighborhoods, and to a lesser extent mixed middle neighborhoods, saw sales activity come back much faster and stronger after hitting bottom than Black middle neighborhoods.

Figure 4: Sales Ratios (Ratio of Sales to Single Family Stock in Chicago Middle Neighborhoods by Racial Category, 2000 to 2018



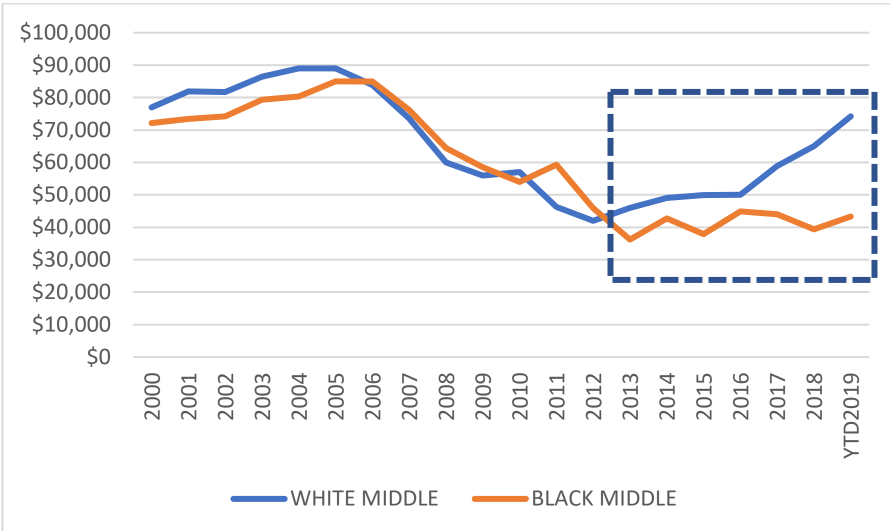
Cleveland

While both Chicago and Philadelphia have moderately robust citywide housing markets, albeit with wide neighborhood disparities, Cleveland has a much weaker citywide market. While a handful of neighborhoods around downtown and in the University Circle area have seen revival, the great majority of the city remains a weak market area. House prices are generally low, and despite improvement since hitting bottom after the foreclosure crisis and recession, sales volumes remain sluggish.

In contrast to Chicago and Philadelphia, as well as Baltimore, where large numbers of white middle neighborhoods are seeing strong housing market activity, white as well as Black middle neighborhoods in Cleveland are struggling. As Figure 5 shows, however, while Black and white middle neighborhoods showed parallel price trends from 2000 through the bottom of the market in 2011 or 2012, they have diverged significantly since then[13]. Prices in white neighborhoods rebounded, first slowly and then more quickly, and have doubled from 2012 through the first 10 months of 2019. Median prices in Black neighborhoods, however, have hardly moved after hitting bottom, and are today only about 60 percent of the median price in white middle neighborhoods.

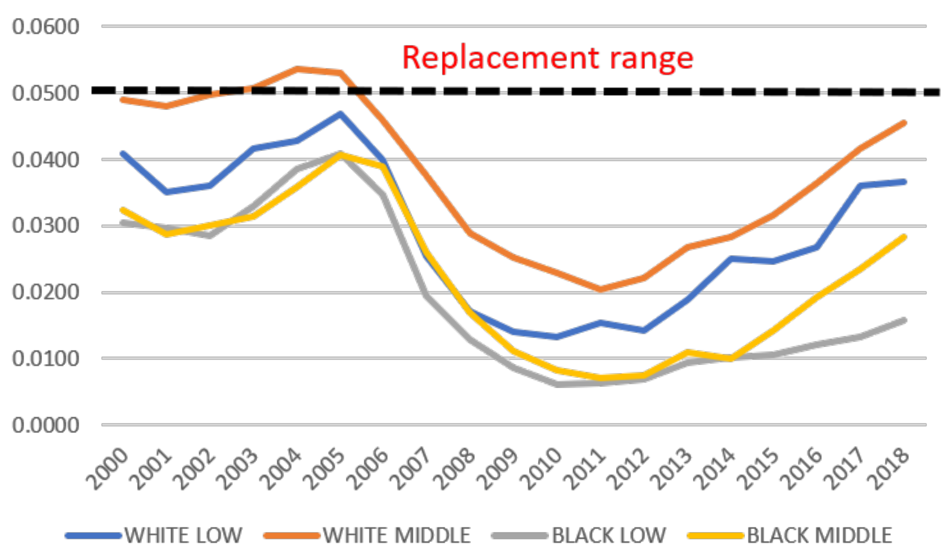
[13] Mixed neighborhoods are not shown in Figures 5 through 7 since there are too few of them in Cleveland for their numbers to be meaningful.

Figure 5: Sales Price Trends in Cleveland Middle Neighborhoods by Racial Category, 2000 to 2018



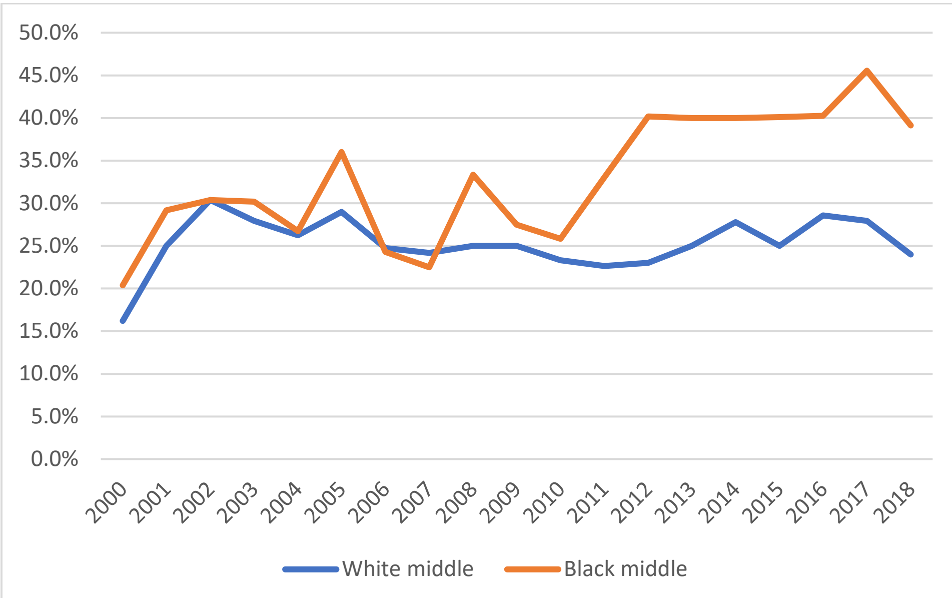
The trend in sales volumes is similar. Figure 6 includes for comparison purposes trends for white and Black lower income neighborhoods as well. Reflecting Cleveland's sluggish housing

Figure 6: Sales Ratios (Ratio of Sales to Single Family Stock) in Cleveland Middle and Lower-Income Neighborhoods by Racial Category, 2000 to 2018



market and the severe impact of the foreclosure crisis and recession on that city, sales volumes estimates. As Figure 7 shows, much of the rebound in sales volume in Cleveland's Black middle neighborhoods since 2011 has come from growth in the number of absentee investor buyers, while the stronger rebound in white middle neighborhoods is driven by homebuyers. Investors now appear to make up about half of all buyers in Black middle neighborhoods, significantly more than in white middle neighborhoods. Investors' large role in the market depresses house prices, since in low-priced markets like Cleveland, investor buyers are less sensitive to housing quality than homebuyers, and more likely to buy at the low end of the market.

Figure 7: Percentage of Sales to Absentee Investors in Cleveland Middle Neighborhoods by Racial Category, 2000 to 2018



While the data presented above is not an exhaustive housing market analysis of these cities, it highlights some key points about market challenges in most Black middle neighborhoods in legacy cities. These points bear strongly on their continued viability, and are unlikely to be reversed in the absence of intentional strategies:

- Sales prices in most Black middle neighborhoods are often well below replacement cost, even in cities with relatively strong citywide housing markets.
- Sales prices in most Black middle neighborhoods are significantly lower than in white middle neighborhoods, with the disparity far greater than the disparity in household incomes between these neighborhoods.
- Sales prices in most Black middle neighborhoods have recovered far less since the foreclosure crisis and recession than white middle neighborhoods.
- Sales volumes in most Black middle neighborhoods are below the replacement range needed to sustain a healthy housing market and absorb normal turnover.
- Sales volumes in most Black middle neighborhoods have recovered far less since the foreclosure crisis and recession than white middle neighborhoods.
- Real estate market activity in many Black middle neighborhoods is driven significantly more by investor buyers rather than homebuyers compared to white middle neighborhoods.

This is not true of *every* neighborhood. Conditions vary from city to city, and most cities have some neighborhoods that are bucking these trends. Trends in Philadelphia, for example, are more positive than those in Chicago, while even in Chicago, there is evidence of a modest rebound in prices in some Black middle neighborhoods during the last few years. Much of the improvement in those neighborhoods that have seen positive change, however, has been the slowly emerging result of the sustained growth of the national economy over the decade from 2010 to 2020. Given the fragility of these neighborhoods' market improvement, it remains an open question whether it will resume after the end of the coronavirus pandemic or be snuffed out by the pandemic's devastating economic aftereffects.

Variations in neighborhood trajectories

The next question is whether meaningful variations exist in the trajectories of Black middle neighborhoods, either between neighborhoods within the same city, or between different cities' clusters of Black middle neighborhoods. Since the overall pattern is one of decline, the issues are first, whether any cities or individual neighborhoods are doing significantly better than the norm; and second, if there are, whether there are any apparent factors that may explain whatever variation may be found.

One way to think of 'stable' neighborhoods is as those in which household incomes have increased since 2000 at least by the rate of inflation; or, at least by the national rate of increase in household incomes over that period, which was 95 percent of the rate of inflation.[14] By that standard, few neighborhoods in the six cities can be considered stable, and far more are in decline or severe decline, as shown in Table 6.

Table 6: Distribution of Black Middle Neighborhood Census Tracts by Household Income Change from 2000 to 2018 in Constant Dollars

		MIL	PHL	CHI	DET	BAL	CLE	Total
LOSS	- 50% or more	0	0	10	26	0	4	40
	-49.9-40%	2	3	29	35	0	6	75
	-39.9-30%	4	13	31	29	6	4	87
	-29.9-20%	5	6	24	11	7	1	54
	-19.9-10%	0	12	15	5	11	1	44
	-9.9-0%	0	4	7	4	13	0	28
GAIN	+0.1-9.9%	0	1	2	0	5	0	8
	+10% or more	0	1	1	1	2	0	5
Number of tracts		11	40	119	111	44	16	341
Median change		-31.1%	-25.4%	-33.7%	-42.0%	-11.9%	-41.5%	

[14] The national median household income in 2000 was $41994, which the national median in 2018 (based on the 2014—2018 ACS) was $60,293, or an increase of 43.6 percent, compared to change in the CPI over that period of 51.2 percent.

While neighborhoods vary widely between cities and within the same city, the number of economically stable tracts is vanishingly small. If we adopt a more generous definition of stability as being no more than a 10 percent loss in real household income, only 12 percent of the tracts are stable. By the narrower definition that treats stability as *gain* in real household income, only 13 or 4 percent of the tracts are stable. By contrast, in nearly 60 percent of all tracts, the median household income dropped 30 percent or more in real dollars. In 12 percent of the tracts, the median household lost more than 50 percent in real income. Over half of the tracts in that last group were in Detroit.

<u>Variations between cities</u>

As Table 6 shows, income trajectories of Black middle neighborhoods vary widely from city to city. While the typical household in a Black neighborhood in Cleveland or Detroit saw their income decline by 42 percent in constant dollars from 2000 to 2018, households in Black middle neighborhoods in Baltimore lost only 12 percent, a significant difference. To explore whether the variation was associated with broad economic or demographic trends, either citywide or specific to each city's African American residents, we looked at three variables:

- Household income growth, both citywide and within the Black population
- Job growth, both regional and citywide and within the city's Black population[15]
- Citywide Black population change

Of these, the most powerful effects were associated with income growth in the African American population and secondarily with overall income growth in the city. City-level Black population change showed a relationship of moderate significance to neighborhood income change, while neither measure of city-level job growth showed any meaningful relationship[16].

Both relationships suggested by the data are logical, even intuitive. If Black household incomes in a city are rising, it is to be expected that that increase will be felt in the city's African American middle neighborhoods. Similarly, although the extent to which Black households share in different cities' increased prosperity varies, as a rule Black income growth closely tracks income growth in the larger community. Similarly, the greater the exodus of African American households from the city, which tends to be disproportionately upper and middle-income households, the more likely middle neighborhoods will experience economic decline.

The absence of a relationship to job growth within the city, although seemingly surprising, is reasonable, since in today's economy, more and more city residents—particularly Black residents—work in the suburbs, while a growing share of city jobs are held by suburban commuters. When we look at *metropolitan area* job growth and household income change in

[15] Because of the limited time periods for which job data, and job data by race, are available through the Local Employment-Households Database, job data was examined for the periods of 2002–2017 and 2009–2017, and job data by race for 2009 (the earliest year for which it is available) to 2017. There was actually a negative relationship (although below meaningful significance levels) between Black job growth in the city and household income growth in Black middle neighborhoods, suggesting, perhaps, that getting a job (or a better job) might be an impetus to outward migration.

[16] The first two correlations shown are significant at the .001 level, while the third is significant at the .05 level.

Black middle neighborhoods, we find a very strong relationship[17]. While Baltimore City saw only modest job growth between 2002 and 2017, the Baltimore region saw a 20 percent increase in jobs, the greatest job growth of any of the six regions studied.

Another factor that may contribute to the relative stability of Baltimore's Black middle neighborhoods is the cost of suburban flight. That cost is higher and the number of affordable suburbs fewer in the Baltimore area than in the other cities. Philadelphia has affordable suburbs, particularly in Delaware County, and in Camden County, New Jersey, across the Delaware River from Center City Philadelphia. Chicago has a large reservoir of affordable suburbs in South Cook County and in Will County to the southwest. House prices in suburban Milwaukee County are generally affordable, as are prices in most parts of suburban Cuyahoga and Lorain Counties near Cleveland, and Macomb, Oakland and Wayne Counties surrounding Detroit.

This suggests that while price may be a marketing asset for organizations trying to sustain the housing market in Black middle neighborhoods in Baltimore, and perhaps to a lesser degree in Philadelphia and Chicago, it is not in cities like Detroit or Cleveland. While house prices are indeed much lower in those cities than in their suburbs, suburban prices are still low enough—usually little more than $100,000, and often less—so that almost any family with enough stable income to qualify for a mortgage can afford to buy in the suburbs. Under those circumstances, the paper price advantage of houses in the city is unlikely to have a major effect on decisions by prospective homebuyers.

<u>Variation between neighborhoods within the same city</u>

The distribution of neighborhoods by their economic trajectory in most of the cities roughly follows the normal distribution, known as the bell-shaped curve, with Philadelphia being the notable exception. Except in Milwaukee, a small number of Black middle neighborhoods are found toward the upper end of the distribution; that is, they have significantly more positive trajectories than the norm for neighborhoods in that city. The question is whether there are particular reasons that can be elicited from the available data for the relative stability of those neighborhoods compared to their peers. To explore that question, I look at those census tracts in Baltimore, Philadelphia and Detroit where median household income growth between 2000 and 2018 was equal to at least 90 percent of the rate of inflation during the same period. I look at Baltimore in detail, and more briefly at the other two cities.

Baltimore

Household incomes in seven Black middle neighborhood census tracts in Baltimore rose faster than the rate of inflation from 2000 to 2018. As Figure 8 shows, while these neighborhoods are scattered around the city, two are close to the city's principal generators of employment and investment—and gentrification—and the other five are at the city's edge, adjacent or close to suburban Baltimore County. The pattern of more stable neighborhoods being situated at or near the urban edge recurs in other cities as well.

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[17] Correlation of .9446 significant at the .001 level.

Figure 8: Stable Black Middle Neighborhoods in Baltimore

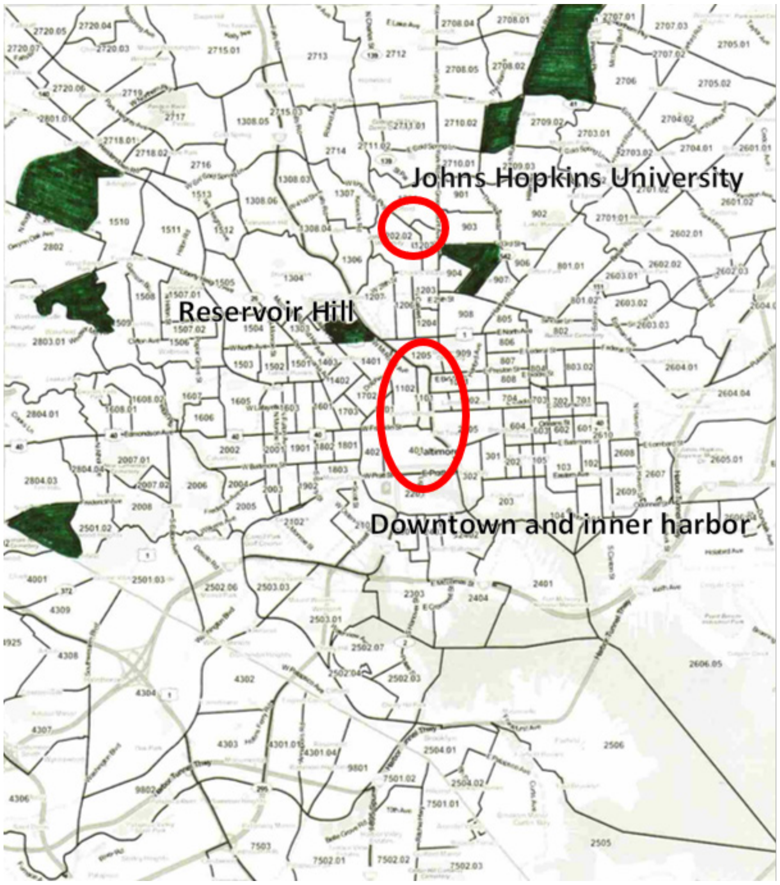


Table 7 shows key trend data from 2000 to 2018 for each of these neighborhoods. While, with one key exception, there is no single trend or cluster of trends that applies consistently enough to all these neighborhoods to explain their relative stability, there are some patterns worth noting.

Table 7: Summary Characteristics of Stable Black Middle Neighborhoods in Baltimore

	CHANGE 2000 TO 2018								HOME-BUYER SALES/ OWNERS IN 2018
	MEDIAN HH INCOME	BLACK POP	TOTAL POP	MEDIAN SALES PRICE	HOME-OWNERS	OTHER VACANT UNITS	MARRIED COUPLES WITH CHILDREN	POP IN POVERTY	
905	56.0%	-30.3%	-10.6%	8.4%	-7.5%	140.4%	-54.3%	-22.6%	5.8%
1302	70.7%	-21.7%	-11.9%	357.6%	30.3%	-54.7%	-73.9%	-52.7%	9.3%
2501.01	67.6%	11.8%	18.0%	108.5%	9.5%	-35.7%	-37.3%	30.3%	5.1%
2708.03	57.9%	20.4%	7.9%	104.7%	-13.1%	-44.4%	-8.8%	-45.0%	4.4%
2709.01	66.2%	2.1%	2.2%	128.5%	-8.0%	164.7%	-15.9%	-46.4%	5.0%
2801.02	56.7%	No Change	-1.8%	78.8%	8.3%	445.2%	-75.1%	-7.7%	5.5%
2803.02	64.3%	-5.4%	0.6%	185.2%	-28.5%	79.3%	-50.0%	-31.6%	7.1%

Two of the seven tracts, those located close to downtown and Johns Hopkins University (JHU), may be in the initial stages of gentrification. That appears most likely in Reservoir Hill. Located between Bolton Hill, a strong, racially mixed neighborhood, to the south and Druid Hill Park to the north, and with some of Baltimore's most historically and architecturally distinguished houses, it has been repeatedly cited as a potentially gentrifying neighborhood for decades, but has lagged other parts of Baltimore, particularly largely white working-class neighborhoods east of the Inner Harbor or immediately west of JHU. The recent sharp increase in housing prices and the number of homeowners, coupled with the decline in Black households as well as in 'other vacant'[18] properties, suggest that gentrification may have finally reached this neighborhood. The status of tract 905, which is the other stable Black middle neighborhood close to a major anchor not far east of JHU, is less clear. This neighborhood lacks Reservoir Hills' architectural distinction and is sending mixed economic signals. While household incomes are stable and Black population is declining, house prices have stagnated since 2000 and vacancies have increased.

The other five census tracts fit into a broad category of 'edge' neighborhoods. They are located near or at the city's boundaries and close to its suburban neighbors. Many were built during the 1950s and 1960s, while others are characterized by detached single family houses, often on lots larger than typical urban lots, rather than the row houses that are typical of most of Baltimore, as in the West Arlington neighborhood (tract 2801.02) shown in Figure 10[19]. These areas are showing both economic and house price stability, with sales prices roughly doubling since 2000, paralleling the citywide trend.

Figure 9: Row Houses in Baltimore's Reservoir Hill Neighborhood

Source: Google Earth

[18] The Census Bureau divided vacant dwelling units into a number of categories, such as offered for sale, offered for rent, vacant pending sale, held for seasonal occupancy, etc. 'Other vacant' is the residual category for vacant units that do not fit into an active category, and as such can be seen as a rough proxy for abandoned vacant units.

[19] Contrary to widespread impressions that all or nearly all post-World War II residential development took place in the suburbs, large numbers of single family houses—both detached and rowhouses—were built in most older American cities during the 1950s, and to a lesser extent the 1960s, as large undeveloped areas within central city borders were developed. Three of the tracts described here (2501.01, 2708.03 and 2709.01) fall into this category.

Figure 10: Detached Houses in Baltimore's West Arlington Neighborhood

Source: Google Earth

While the edge neighborhoods vary widely in terms of social and economic trends, the one area where they show consistency is in their housing market strength. All show not only strong sales volumes within the replacement range, but more significantly, *are showing high levels of homeowner replacement by new owner-occupant homebuyers.* While some of these areas have seen a decline in the number of homeowners since 2000, largely because of instability in the wake of the foreclosure crisis, all are now seeing strong levels of owner-occupant homebuying. Indeed, *the one consistent factor linking all seven stable Black middle neighborhoods in Baltimore is the strong level of homebuyer activity.* This points to the central role that the market plays in determining a neighborhood's trajectory, as well as the central role of market-building activities in any larger strategy to stabilize or revive struggling middle neighborhoods.

Philadelphia

Although Philadelphia's citywide trajectory is similar to that of Baltimore, the trajectories of the city's Black middle neighborhoods are less favorable. In Baltimore, 7 of 44 tracts were stable by the narrow definition, compared to only 2 of 40 in Philadelphia. Under the broader definition there were six tracts where households either gained real income or lost less than 10 percent in current dollars. Data for those tracts is shown in Table 8 below. Philadelphia's stable Black middle neighborhoods fall into three distinct clusters.

Table 8: Summary Characteristics of Stable Black Middle Neighborhoods in Philadelphia

CENSUS TRACT	CHANGE 2000 TO 2018								HOME-BUYER SALES/ OWNERS IN 2018
	MEDIAN HH INCOME	TOTAL POP	BLACK POP	MEDIAN SALES PRICE	HOME-OWNERS	OTHER VACANT UNITS	MARRIED COUPLES WITH CHILDREN	POP IN POVERTY	
22	39.6%	5.8%	-49.4%	975.6%	21.8%	-53.2%	-26.1%	-21.6%	8.3%
80	-2.1%	-3.7%	-36.3%	355.6%	-11.9%	258.2%	-27.4%	13.1%	4.4%
101	3.9%	25.5%	26.3%	61.6%	-19.7%	-20.5%	-17.7%	26.23%	2.4%
248	-4.9%	9.7%	3.7%	59.7%	-9.6%	67.3%	-36.1%	34.1%	2.5%
254	-5.6%	11.6%	-4.7%	177.8%	3.7%	332.1%	45.6%	-9.4%	2.2%
258	-8.2%	4.4%	5.1%	182.4%	-8.0%	NOTE 1	-53.7%	37.5%	3.3%

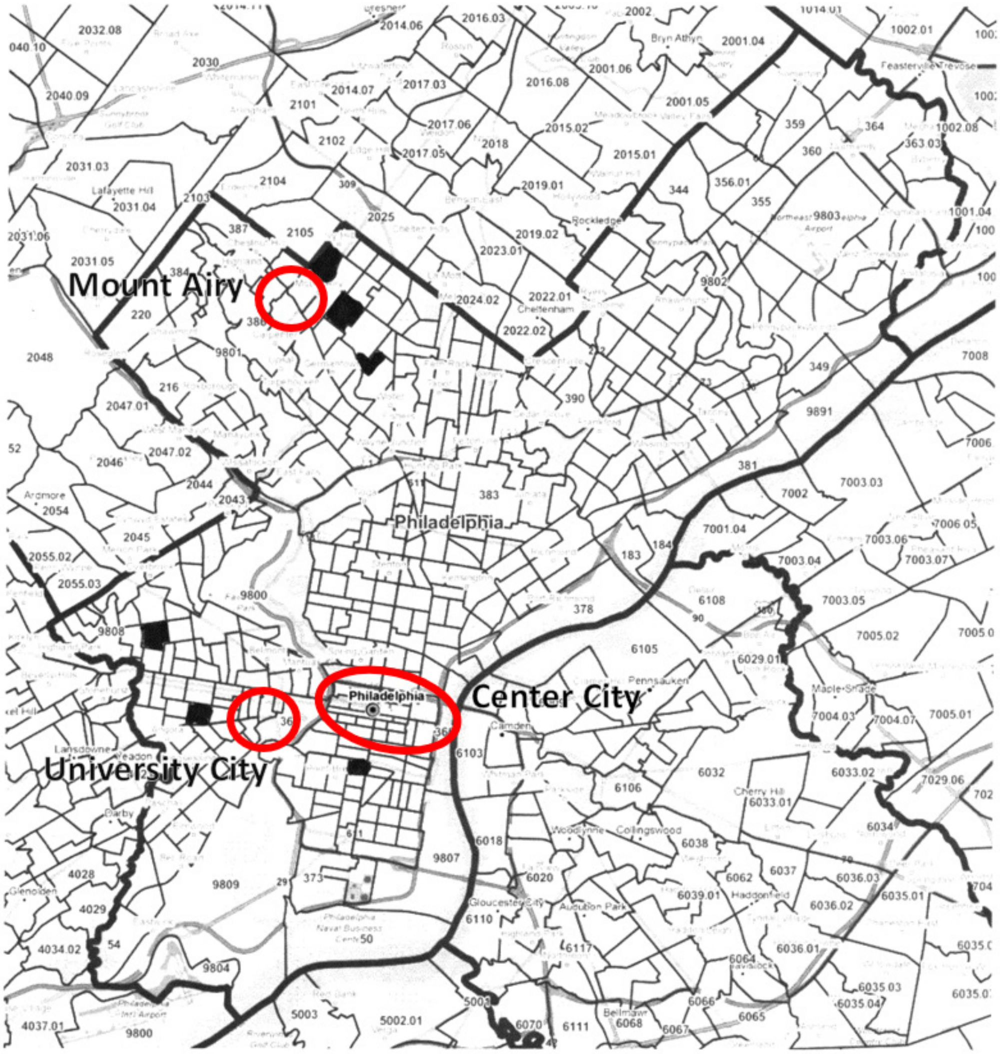
As can be seen in the map (Fig. 11), tract 22 in South Philadelphia is near Center City, and tract 80 (Cedar Park) in West Philadelphia is close to University City, home to the University of Pennsylvania and Drexel University. These two tracts are affected by their proximity to the city's principal centers of economic activity and may be gentrifying. House prices are rising far more rapidly than the citywide rate of increase, and their Black populations have dropped sharply since 2000. To their north, tracts 254 and 258 are edge neighborhoods, adjacent to suburban Montgomery County and within Philadelphia to the moderately affluent and racially mixed Mount Airy neighborhood. These two census tracts contain attractive twin houses, many with stone facades, interspersed with single family homes and multifamily buildings. As with Baltimore's edge neighborhoods, house price growth in those neighborhoods has paralleled the citywide rate of increase. The remaining two tracts, however, do not appear to have any special location or amenity features that would explain why they may be more economically stable than other Black middle neighborhoods in Philadelphia[20].

Homebuying activity is strong in the two tracts with the most positive economic trajectories, and moderately strong in one of the two tracts adjacent to Mount Airy, but less so in the other three tracts. This may suggest qualifying the conclusions that were initially reached by looking at the stable tracts in Baltimore, or alternatively, that the seeming stability of some of the Philadelphia tracts may be illusory.

Little needs to be added about the five census tracts in Detroit that can be considered stable by the broader definition. Two, including the only one in which households saw real dollar income

[20] The absence of any visible reason for their relative income stability suggests the possibility that, given the substantial margin of error in the 2014–2018 income data, the data itself simply fails to properly measure the actual economic condition of the neighborhood.

Figure 11: Stable Black Middle Neighborhoods in Philadelphia



gains, are in the Boston Edison neighborhood, a neighborhood of large, imposing single family homes which has been seeing a modest revival in recent years. These two tracts also saw a small increase in house prices from 2000 to 2018, which is notable in context, since house prices in Detroit citywide in 2018 were still 20 percent lower than in 2000. Sales volumes in Boston Edison are also moderately strong compared to other Detroit neighborhoods, but both price trends and volumes are weaker in the other three tracts. As in Philadelphia, those tracts do not appear to have any special features of location or amenity that would lead to their being more economically stable than many other Black middle neighborhoods in Detroit.

This limited survey does not make it possible to pinpoint precise reasons for the relative stability of these or similar census tracts, nor would we expect it to. In the final analysis, local conditions and circumstances always play an important role, while the nature of the data itself is uncertain and subject to large margins of error. One can still, however, draw some partial lessons from this survey, which may be useful in helping to frame strategies for change.

Figure 12: Houses in Detroit's Boston Edison Neighborhood

Source: Google Earth

First, a handful of Black middle neighborhoods may be gentrifying. Those neighborhoods are either found in the direct path of growth from centers of strength like downtowns or major universities, as with Reservoir Hill in Baltimore and Cedar Park in Philadelphia; or have a distinctive or historic housing stock *and* are at least relatively close to one or more centers of strength, like Reservoir Hill or Boston-Edison in Detroit. Of the two, proximity is far the stronger factor. Neighborhoods that contain a distinctive housing stock but are too far removed from areas of strength do not fare as well. Gentrifying neighborhoods are not truly stable, however; they are changing, but in an economically upward direction, and often seeing a decline in their Black population share as white newcomers replace Black out-migrants. While they are few compared to the totality of Black middle neighborhoods, they represent a significant share of the small number of Black neighborhoods that have *not* declined economically since 2000.

A second category are the semi-suburban edge neighborhoods, typically located close or adjacent to the central city's suburban neighbors, with housing stocks that are often less dense or newer than most of the city's housing. This is true in Cleveland as well, where the only Black middle neighborhood census tracts close to stability are in Lee-Harvard, at the city's southern edge and surrounded on three sides by suburban Cuyahoga County. These neighborhoods tend to be farther from low-income, disinvested areas than most other Black middle neighborhoods. They are more likely to be stable in a more real sense, showing reasonable but not excessive sales price growth and little or no change in their racial configuration.

Finally, the data highlights the important role of a strong housing market, particularly a strong homebuyer market, in neighborhood stability. With few exceptions, those neighborhoods whose household income growth has paralleled or exceeded the rate of inflation since 2000 have at least moderately strong homebuyer markets.

While these census tracts all show greater income stability than the great majority of Black middle neighborhoods, it should not be concluded that they are necessarily therefore truly stable, strong neighborhoods. Aside from the ambiguous nature of gentrification, which may provide a statistical illusion but not the reality of stability, many of these neighborhoods face the same challenges as their peers—declining homeownership, increasing vacancy, struggling commercial corridors (if any), and more—albeit to a lesser degree. No one can assume, especially as we emerge from the Coronavirus pandemic into a new era of social and economic stress, that *any* neighborhood can simply 'take care of itself'.

Rebuilding Black Middle Neighborhoods

The preceding sections have made clear the magnitude of the challenge facing predominately African American middle neighborhoods in legacy cities, a challenge which is likely to be that much greater in the wake of the COVID-19 pandemic. At the same time, these neighborhoods are important and worth saving.

The role of these neighborhoods takes on particular significance in light of the changes taking place in American cities, as the shift in their economic base from manufacturing to 'eds and meds' has led to the cities' workforce becoming increasingly made up of suburban commuters, while the migration of a young, well-educated and largely white generation to the cities is redefining historically nonresidential downtowns and nearby areas as new models of upscale urban neighborhoods. These changes have led cities to become increasingly polarized along mutually reinforcing spatial, economic, and racial lines[21].

There are compelling reasons that a city polarized between the well-to-do and the poor or near-poor, especially if that polarization is not only economic but racial, is likely to be socially problematic, and most probably unsustainable. The continued survival and vitality of Black middle neighborhoods in cities like Baltimore, St. Louis or Detroit is perhaps the most important bulwark against such polarization and for a more equitable future for our cities. Appeals to culture, tradition, ideology, or group solidarity, however, are likely to have little effect on the many individual decisions that determine whether a neighborhood thrives or declines. We need to identify what factors *are* likely to influence those decisions, and how they can be translated into potentially successful strategies for revival.

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. In many respects, weak housing demand is the outcome of a long chain of events beginning many years ago. While this is not the place for an extended analysis of the long, complex and racially charged history of neighborhood decline, a short discussion is necessary to provide the context for thinking about strategies for revival.

Middle neighborhoods as a whole, whatever their racial composition, are under strain. The hollowing of the middle class since the 1970s and the phenomenon of economic sorting, as both more affluent and poorer residents tend to cluster in areas of increasingly homogenous economic character, have thinned the ranks of middle neighborhoods. Deindustrialization and the collapse

[21] For an extended discussion of these trends, see the author's *The Divided City: Poverty and Prosperity in Urban America* (Island Press, 2018)

of industrial unions in the United States led to the loss of millions of well-paying industrial jobs that had sustained many of the middle neighborhoods of American industrial cities and their postwar suburbs. Changing American demographics, the decline in child-rearing families and increase in single individuals, reduced the demand for neighborhoods of single-family houses designed for the child-rearing married couples who represented a far larger share of the nation's population in the past than they do today, a decline that has been even greater within the African American population.[22] An aging housing stock, often in need of upgrading and lacking features sought by today's families,[23] coupled in many cities with declining public services and increasing safety concerns, prompted growing numbers of middle income families to move to the burgeoning suburbs.

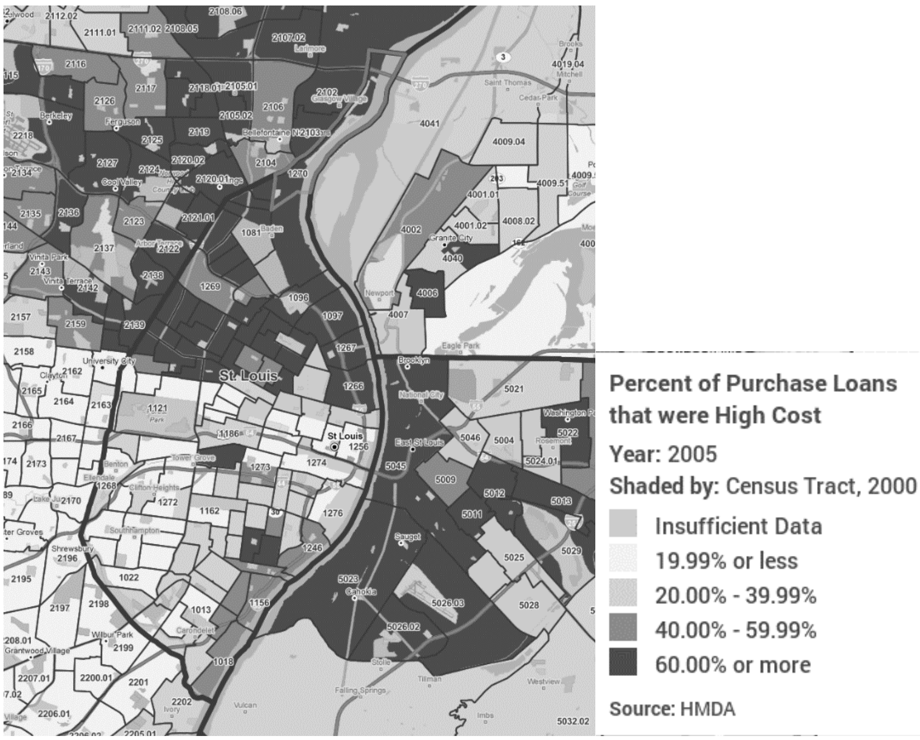
All these changes affect Black middle neighborhoods; many disproportionately affect those neighborhoods. With Black workers often 'last hired, first fired,' with a thinner toehold on middle-class status and often subject to hidden or overt racial discrimination, they were more deeply affected by the regional economic decline and loss of industrial jobs that began in the 1970s. Patterns of social stress and economic insecurity exacerbated by the invidious position of African Americans in the larger society and economy affect Black middle neighborhoods in ways that do not affect their white counterparts[24]. America's racially segmented 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 predominately white or racially mixed areas. As Marie Krysan writes, "whites mainly search in white communities, while African Americans search in communities with a variety of racial compositions."[25] Thus, while the small regional black demand pool is dispersed across all of the region's neighborhoods. little of the much larger white demand pool reaches black areas.[26]

By the beginning of the millennium, Black middle neighborhoods, while 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 subprime lending boom that began in the late 1990s, the foreclosure crisis and the Great Recession of 2007–2009. While the fact that subprime lending was often targeted to and adversely affected African American neighborhoods is well-documented, the magnitude of the disparity is notable, as Figure 13 shows for St. Louis. In 2005, the last full year of the subprime frenzy, 75 percent of all mortgages made in the predominately Black middle census tracts in that city were high-cost mortgages, compared to 29 percent in the

[22] Child-rearing married couples were 42 percent of all American households in 1960, compared to 19 percent today. While there are more single parent households than in 1960, their growth has been only a small fraction of the decline in married-couple child-rearing families. Moreover, as is well-known, single parent, particularly single female, households are disproportionately poor or near-poor, in contrast to married-couple child-rearing households.
[23] Most houses built before World War II, for example, contained only one bathroom. In 1940, nearly half of all the homes in the United States lacked complete plumbing facilities.
[24] See Rachael A. Woldoff, *White Flight/Black Flight* (2011) and Marie Patillo, *Black Picket Fences: Privilege and Peril among the Black Middle Class* (1999) for excellent discussion of these issues.
[25] Krysan, Marie. (2008). Does race matter in the search for housing? An exploratory study of search strategies, experiences, and locations. Social Science Research, 37(2), 581–603.
[26] A further contributing factor is that suburban, particularly exurban, housing production in legacy city metros has significantly outpaced household formation. According to an analysis by Todd Swanstrom, the cumulative extent of overbuilding in the St. Louis metropolitan area since 1990 exceeds 141,000 housing units, further exacerbating the competition for the small pool of prospective homebuyers.

rest of the city. Figure 13 graphically shows the disparity in high-cost mortgage lending between all-but-entirely black Northside St. Louis, and the predominately white or racially mixed areas in the Central Corridor and Southside.

Figure 13: Racial Disparities in High-Cost Mortgage Lending in St. Louis



Source: Data from HMDA, map by PolicyMap

The extent of subprime lending in Black middle neighborhoods meant that they would be disproportionately destabilized by the foreclosure crisis, just as the greater economic insecurity of many Black middle-income wage earners, particularly those in blue collar jobs, meant that their neighborhoods would be disproportionately destabilized by the ensuing Great Recession. During that process, many homeowners—both long-time residents who refinanced with subprime loans as well as newcomers who used subprime loans to buy homes in these neighborhoods—lost their homes. In many cases, their homes were bought by investors and subsequently rented to lower-income households, while in other cases they remained vacant and were ultimately abandoned. As a result, not only were many homeowners forced to move, but others, facing increasing destabilization and disorder in their midst which they felt powerless to change, concluded that flight was the only rational response[27]. Increasing disorder, the deterioration of local public schools and public services, unresponsive bureaucracies, and as noted, the affordability of many suburbs even for families of modest means, all influenced the

[27] This is a point stressed by Woldoff, who characterizes the goals of those she describes as black "pioneers". "Their goal," she writes, "was not to achieve a minimal standard of safety from extreme violent crime and brazen disorder; for them the desire for an improved atmosphere for their families included a neighborhood with a greater representation of conventional families and lifestyles" (p147).

decisions of middle-class households to move outward. All of those factors, however, were layered on the devastating impacts of subprime lending and foreclosures.

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. Although the share of Black homebuyers nationally is smaller than it should be, this shortfall is *not* primarily a function of an overall shortage of Black homebuyers.

Black homebuying in the United States, after dropping precipitously with the foreclosure crisis and recession, has strongly rebounded since 2015. Nationally, purchase mortgages to Black homebuyers, after hitting a national low of 118,000 in 2011, more than doubled by 2018 to 263,000[28]. *But fewer Black households are buying in traditionally Black urban neighborhoods*. In 2005, 307 purchase mortgages were made to Black homebuyers in Cleveland's Black middle neighborhoods. In 2018, the number was 73, less than a quarter of the 2005 figure, equal to less than 1 percent of the 8,411 homeowners living in those neighborhoods. Of these 73 mortgages, over half were in the Lee-Harvard neighborhood. In 5 of 16 tracts, not one homebuyer mortgage was made in 2018. Compared to 15 years ago, today's Black homebuyers in Cleveland and elsewhere 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[29].

What that means is that when the time comes to sell their homes, *only a small percentage of homeowners in Cleveland's Black middle neighborhoods have any realistic possibility of finding a new homeowner to take their place*. In some cases, their home may be bought by an investor, but as often as not it will find no buyer, and eventually be abandoned. From 2000 to 2018 Cleveland's Black middle neighborhoods lost 30 percent of their homeowners, and their average vacancy rate rose to above 20 percent. The median sales price in these neighborhoods was under $40,000, less than half of what it had been in 2005.

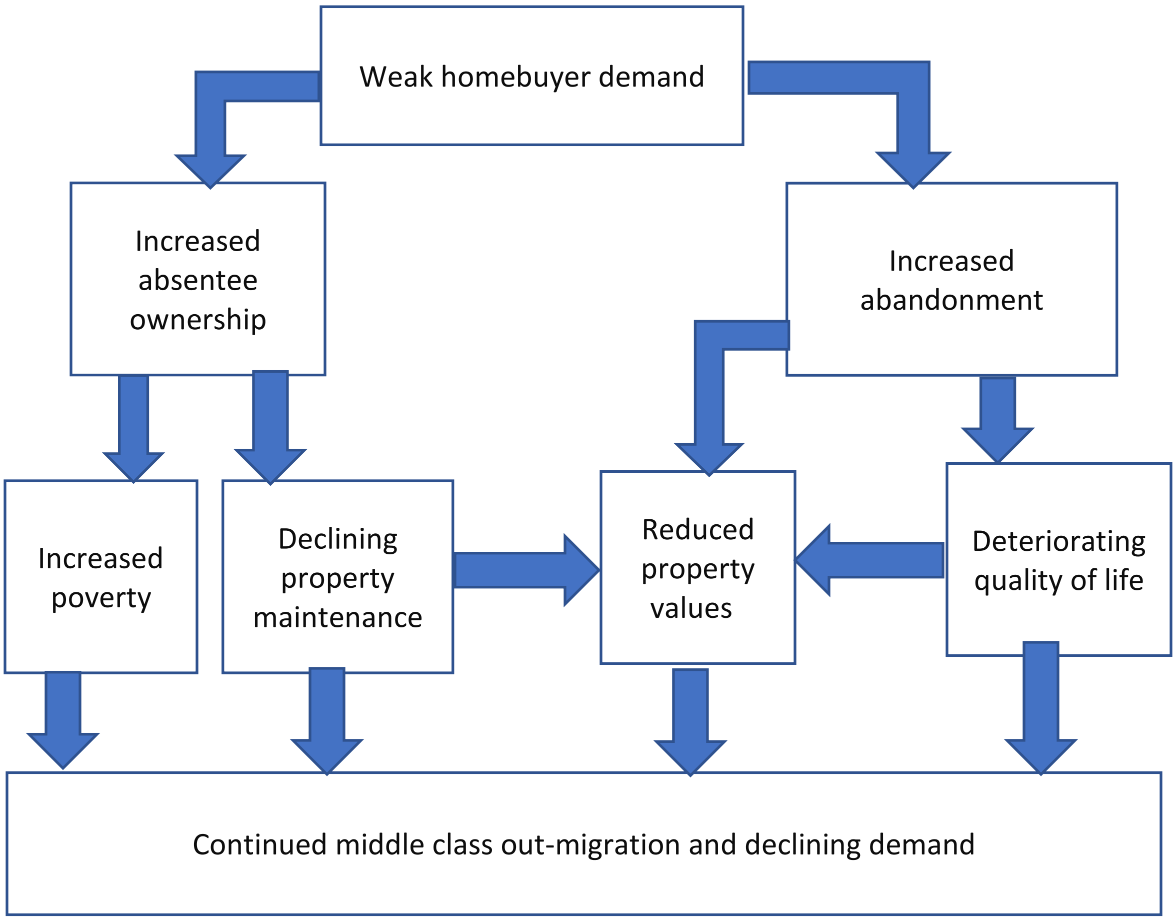
Weak homebuyer demand is not the *cause* of the challenges Black middle neighborhoods are facing. On the contrary, it is a *product* of difficulties accumulated over many years. Once it starts, however, persistent weak demand creates a vicious cycle that perpetuates continued neighborhood disinvestment and the outmigration of those who can afford to do so, as shown in Figure 14. For that reason, breaking that cycle needs to be the central focus of strategies to stabilize and revitalize these neighborhoods.

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. S*till, given the central role of market building in any revival

[28] While that number is only two-thirds of the 2005 figure, the earlier numbers were inflated by subprime lending, which led to many purchase transactions some of which probably should never have been made.
[29] There has also been a decline over the same period in the number of white homebuyers buying in Black middle neighborhoods, although white buyers have never been a significant factor in these areas' housing markets.

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 14: The Vicious Cycle of Weak Homebuyer Demand



Issues in market building

When people choose a neighborhood, their decisions are rarely driven by ideologies or policy goals, but by concrete concerns about their and their families' well-being. Within each family's price range, using the best information they can find, families pick the neighborhood that they believe best matches their aspirations for their quality of life and, if they have children, the opportunities it offers their children. Neighborhoods thus compete with one another for the families looking for a home at any particular time. While many Black homebuyers might like to buy in a predominately Black neighborhood, they will do so only where the neighborhood meets other competitive criteria. To revive urban Black middle neighborhoods, one must restore their competitive edge vis a vis their suburban or racially mixed counterparts.

What that means comes out clearly from a series of focus groups held by Detroit Future City, a non-profit organization that has called attention to this issue:

> When asked about middle-class neighborhoods and what the middle class found desirable, focus group participants were consistent in describing these characteristics: cleanliness, well-maintained homes, low vacancy and blight, high rates of home ownership, adequate public safety, and access to a range of quality amenities and services, including good schools. Focus group participants also seized upon the costs of living in the city and what they believed was discouraging middle-class residents from staying or moving to Detroit. Among the deterrents were familiar themes such as high insurance and tax rates, struggling schools, blight and vacancy, and a lack of retail amenities.

To which I would add one further element, an expectation of reasonable appreciation in the value of one's home over time. These elements add up to something of a package.

To build a strong neighborhood housing market, one must build and sustain an environment that can meet the reasonable expectations of people like those in the Detroit focus group. In the course of doing so, strategies such as neighborhood marketing and homebuyer incentives are an adjunct to building a stronger, more competitive neighborhood, not ends in themselves. Before looking at specific strategies, three questions should be explored:

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?

I will discuss each of these three points briefly.

Homeownership matters. 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—although over half of all single person households are, in fact, homeowners. Neighborhoods should accommodate renters as well as homeowners.

From a neighborhood stability perspective, however, there are important differences between the role played by homebuyers; that is, people who buy houses to live in themselves, investors; that is, people who buy houses to flip or rent out, and renters. Homebuyers in general invest in a neighborhood by putting money into the house they own and living there. In contrast to renters, who typically live in the same house or apartment little more than two years, the median homeowner in older states like Michigan or Pennsylvania, where the statistics are not skewed by large numbers of recently built houses, is likely to live in the same house for 13 to 15 years[30]. While cost is paramount in renters' choice of a place to live, homebuyers choose homes and neighborhoods on the basis of a cluster of distinct factors, particularly quality of life and amenities. Cost is only one factor, and often not the most important. Finally, investors are

[30] Renter turnover is clearly affected by forces outside the renter's control, in particular eviction or potential eviction. Where renters receive vouchers or move into subsidized housing developments their length of tenure increases, but to at most 4 to 6 years, far less than the typical homeowner.

fundamentally interested in whether they can get a reasonable economic return from the property through cash flow or capital gain, and usually little else.

Extensive research has shown that homeowners are more likely to be actively engaged in their neighborhood than either renters or investors, voting and joining neighborhood organizations. They are more likely to both maintain and invest in improving their homes and yards in the ways that make them visible neighborhood assets, which contribute to the neighborhood's 'curb appeal', as I discuss below. Increasing homeownership is likely to increase not only neighborhood property values but also neighborhood stability, while a decline in homeowners is likely to have the opposite effect. These differences are in part a reflection of the greater stability of tenure and lower turnover associated with homeowners but are likely to include a psychological effect associated with ownership *per se*[31].

Moreover, in contrast to some pundits' pronouncements, there is no evidence that the United States has 'gotten over homeownership', or that the millennial generation is necessarily less interested in homeownership than previous generations[32]. While the drop in homeownership rates from their peak of 69 percent in 2004 until they bottomed out at just under 63 percent in 2016 was highly publicized, it is less widely acknowledged that they have been slowly but steadily rising from 2016 through the first quarter of 2020. How this may be affected by the economic effects following the COVID-19 pandemic is an open question.

Renters and investors each play important roles in the neighborhood and should be part of any comprehensive neighborhood revival effort. The critical role of homeowners, however, needs to be acknowledged, particularly in neighborhoods largely made up of single-family homes.

The role of neighborhood stability. Earlier, I have used measurable criteria such as house prices or household incomes to stand for neighborhood stability. This is a straightforward economic approach. But stability means something quite different to the people who live in a neighborhood, or who are thinking about moving into one. As such, it underlies much of how to think about neighborhood strategies.

An important proposition in understanding decision-making, established by Daniel Kahneman and Amos Tversky in the 1970s, is that human beings are *asymmetric* in the value they place on loss versus gain. What that means, as shown in Figure 15, is that people place greater value on

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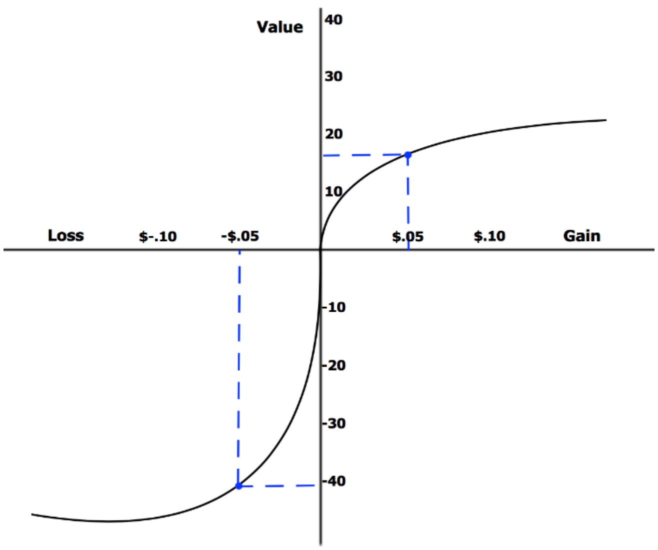
[31] It may also be affected by the greater average incomes of homeowners, although much of the research on homeownership effects has controlled for income. It is far more difficult, however, to control for the possibility of self-selection bias in terms of differences in values and behavior between those who become homeowners, and those who do not. While these are complex issues, the research on homeownership effects is extensive, and virtually all of the many studies point in the same direction. While in some cases, the effects diminish significantly when one controls for length of tenure, this means less than it may seem, since a significant part of the difference in tenure between renters and homeowners appears to be an inherent property of ownership, at least in the US cultural context. While there is no question that the extreme nature of the tenure gap is created in part by instability associated with the revolving door of poverty and eviction, even under the most optimal rental conditions, less than half of the tenure gap disappears.

[32] They may be *deferring* homeownership more than prior generations, for reasons that may be financial or have to do with behavioral preferences, similar to the fact that they are also deferring marriage and childrearing for longer than prior generations.

avoiding losses than on seeking gains[33], a disparity the authors call the *value function*. This is directly relevant to how people feel about choosing a neighborhood. A family buying a home 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; that is, that they are not unduly risking that investment by choosing a house in an unstable 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.

Figure 15: People Place Greater Value on Avoiding Loss than Seeking Gain



The x (horizontal) axis shows the amount of loss (left side) and gain (right side). The y (vertical) axis shows the value placed on each increment of gain or loss. Thus, in the illustration a gain of $.05 creates a value of +17 (upper box), but the same loss creates a value of -40 (lower box).

Source: Kahneman and Tversky

Members of different target markets have different value functions. A moderate or middle-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 demographically similar wealthy family, since much more of their future well-being 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. Marketing professionals divide prospective buyers into literally dozens of separate subgroups based on economic

[33] This was a radical departure from classical economic theory, which held that people, being rational actors, weighed both loss and gains equally.

conditions, life cycle, culture, ethnicity, lifestyle preferences and other factors. Any particular neighborhood is likely to be more attractive to some subgroups, such as young working-class families raising small children or empty nesters looking for a balance of suburban and urban features, and less attractive to others[34].

Table 9: Change in Households by Household Type 2000 to 2018 in Detroit Core Metropolitan Area

ALL HOUSEHOLDS	Married Couples with children	Other families with children	All families with children	Families without Children	Non-Family Households	All Households
2000	341121	159557	500678	537298	510782	1548758
2018	256974	137551	394525	558202	585972	1538699
Change 2000–2018	- 84147	- 22006	- 106153	- 20904	+75190	-10059
BLACK HOUSEHOLDS						
2000	46420	82714	129134	109993	133330	372457
2018	30209	84122	114331	98605	159772	372708
Change 2000-2018	-16211	+1408	-14803	-11388	+26442	+251

Note: 85–90 percent of non-family households are single individuals.

An important starting point, therefore, in a neighborhood revival strategy is understanding who is most likely to make up the potential market for the neighborhood. The traditional market for the neighborhood's homes may or may not be a useful starting point. Historically, the principal market for most Black middle neighborhoods—as for all middle neighborhoods—was families raising children. In the 1960s and 1970s, when most Black middle neighborhoods emerged, most of those families were married families with a husband and wife in the home. Those households made up a far larger share of all households than is true today. Indeed, even since 2000, the number of households raising children, and the number of married couples raising children, has dropped significantly, as shown in Table 9 for the three counties (Macomb, Oakland and Wayne) making up the core Detroit metropolitan area. Although from 1960 to 2000 the number of single-parent families has grown, its growth was far less than the decline in married couple child-rearing families over that period. Since 2000, however, the number of single parent families has

[34] The marketing firm Claritas has developed a typology they call PRIZM that divides households into 68 social and life stage groups, each with distinct consumption preferences. For example, group 40 "Close-In Couples" is defined as follows:

> *Close-In Couples is a group of predominantly older, ethnically diverse couples living in older homes in the urban neighborhoods of mid-sized metropolitan areas. High school-educated and empty nesting, these mostly older residents typically live in older city neighborhoods, enjoying their retirements.*

The PRIZM model, like other commercially available market typologies, is oriented toward consumer purchases and not neighborhood marketing, but it is useful to look at PRIZM's social and life stage groups, both to appreciate the diversity of the many target markets that potentially exist in a region and to develop a sense of how marketers look at different segments of the population. More information can be found at https://claritas360.claritas.com/mybestsegments/#segDetails also declined along with the number of married-couple child rearing families, not only in the Detroit metropolitan area but in many other areas as well. Nationally, the total number of families with children has dropped by over 1 million since 2000.

The point of the foregoing is that fewer neighborhoods than in the past can look to child-rearing families, and married couple child-rearing families in particular, as their target market. While the shift in the national demographic picture toward childless couples, single individuals and other on-family households has enabled downtowns to emerge as residential areas, it 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 want to 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, which may make up a larger share of some cities' Black families than in the general population. Location may offer opportunities. For a neighborhood close to a hospital or university, their workers may be its target market. It can work with that institution, which can in turn assist by disseminating information or by providing homebuyer incentives. Both Yale University in New Haven and Johns Hopkins University in Baltimore offer generous incentives to members of their workforce to buy homes in designated neighborhoods in those cities.

Either way, 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. Tracking who is *actually* buying in one's neighborhood, in as close to a real-time basis as possible, can alert planners to potentially important new market opportunities as well as provide a reality check on one's efforts[35].

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 residents—homeowners and tenants—make decisions about staying or moving. Encouraging as many as possible to stay and either improve their property, move to a larger house in the same neighborhood, or for renters, become homeowners, is as important as attracting new homebuyers.

[35] Any neighborhood-based organization seriously trying to maintain a market-building strategy should have an ongoing outreach effort to new buyers—both homebuyers and investors—in the neighborhood. Since real estate sales are recorded soon after the transaction, and that information is public record, it is not difficult to set up a regular outreach effort.

Table 10: Elements in Middle Neighborhood Stabilization and Revitalization

CATEGORY	ELEMENT	STRATEGIES
Building a strong neighborhood housing market	Neighborhood marketing	Neighborhood branding Target marketing Increasing neighborhood ‘curb appeal’
	Ensuring availability of suitable housing options	Rehab and ready programs Half-bath program ‘Model block’ programs
	Expanding the pool of potential homebuyers	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	Home repair and upgrading loans and grants Accessing property tax relief programs (circuit-breakers) Homeowner counseling and assistance Foreclosure prevention programs
	Improving the quality of rental housing	Strategic and performance-based code enforcement Landlord loan programs Other good landlord incentives Rental rehab programs
	Vacant property strategies	VPROs, code enforcement to ensure exterior maintenance of vacant buildings Vacant property receivership Targeted demolition Housing rehab programs Vacant lot maintenance and greening programs
Improving public services and neighborhood amenities	Improve education options	Neighborhood engagement in local 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
	Other public service improvements	Improve garbage collection Replace/upgrade street and sidewalk lighting Street and sidewalk repairs
	Park and public realm programs	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	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
	Transportation	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	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	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	Targeted recruitment to fill vacant industrial spaces Increase capital access for small industrial firm growth Technical assistance programs to small firms
	Building anchor institution linkages	Employer-assisted housing programs Job linkage programs Anchor institution neighborhood programming Anchor institution investment in neighborhood
Improve social and community services		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	Integrated workforce development programs for adults Training and work experience programs for youth
	Improving job linkages	Internships and apprenticeship programs with local employers Job linkage programs with major anchor institutions
	Improving education options	See above
Building stronger community cohesion and social capital	Creating strong neighborhood cohesion through informal and organizational networks	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

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 the residents, their advisors and their organizations, and the resources at hand. A summary list of possible revival and stabilization strategies is provided in Table 10 beginning on the following page. No one, however, can do everything. Anyone trying to mount an effective revival strategy needs to focus on what can be accomplished with what is available in terms of money, energy and skills; and within those constraints, to focus on those activities that are likely to have the greatest effect on the neighborhood for the time and money spent.

Whatever 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. Rebuilding markets, however, goes far beyond programs like marketing or homebuyer incentives. *It encompasses all those activities that both rebuild a struggling market by increasing aggregate demand as well as those activities, in either a stable or a struggling market, that add stability by motivating existing residents, particularly homeowners, to remain in the neighborhood.*

Market building is about c*hanging 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. An example might be a drop-in center for senior citizens in a neighborhood with many elderly residents. It might well appeal to many senior citizens who live in the community but is unlikely to have any effect on potential homebuyers. Moreover, while attractive, it is unlikely to make a major difference in some elderly homeowner's decision whether to leave the neighborhood or remain. 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 in the region looking to buy a home.

Where some activities may not be important to market building, they may still matter greatly for another dimension of neighborhood revival, that of *building quality of life and opportunity for neighborhood residents*. The most valuable strategies are those that contribute strongly to both goals. Table 11 shows the extent to which each of the six categories described in Table 10 is relevant either to market building or resident quality of life, or both.

While most of the categories in Table 11 apply to all neighborhoods to some degree, building a strong neighborhood-level economy is a special case. All neighborhoods contain residents and homes, without which they would not be neighborhoods. Some, however, are all but entirely residential, with perhaps a handful of convenience stores here and there, while others contain larger commercial districts, often a shopping street built in pre-automobile days or a strip mall from the 1950s or 1960s. Some of these shopping areas may contain no more than a handful of stores people use for basic shopping needs, but others may contain restaurants, coffeehouses or entertainment venues as well as specialized stores like bookstores, bakeries, or clothing stores.

Some older neighborhoods in legacy cities are interspersed with factories or clusters of small workshops, some abandoned or reused for other purposes, but some still in industrial use., Where those factories and workshops are still in industrial or similar use, they may employ many neighborhood residents. Finally, some residential neighborhoods may offer opportunities for building neighborhood-level economic activities through redevelopment of vacant land or reuse of older buildings. While this is rare, it should not be automatically ruled out.

Table 11: Relationship of Goals and Categories in a Neighborhood Strategy

CATEGORIES	GOAL	GOAL
	BUILDING A STRONGER HOUSING MARKET	**ENHANCING QUALITY OF LIFE AND OPPORTUNITY**
Building a strong neighborhood housing market	ESSENTIAL	LARGELY UNRELATED
Improving public services and neighborhood amenities	ESSENTIAL	ESSENTIAL
Building a strong neighborhood-level economy	DEPENDS ON NEIGHBORHOOD CHARACTERISTICS	DEPENDS ON NEIGHBORHOOD CHARACTERISTICS
Improve social and community services	LARGELY UNRELATED	IMPORTANT
Developing the neighborhood's human capital	LARGELY UNRELATED	IMPORTANT
Building stronger community cohesion and social capital	IMPORTANT	IMPORTANT

The role of economic development in neighborhood revival will vary, therefore, based on the presence and configuration of non-residential uses and activities in the neighborhood and the realistic opportunities for future non-residential growth. In a neighborhood with a healthy industrial district, strengthening those businesses and helping them grow may not do much for the neighborhood's housing market directly[36], but to the extent it leads to more jobs for neighborhood residents, it furthers the second goal. In a neighborhood with a viable but struggling commercial strip, upgrading the street's appearance, improving the quality of service and merchandise, and filling vacant storefronts with a lively mix of new businesses can both build a stronger housing market and enhance residents' quality of life.

The rest of this section includes further comments about many of the key elements linked to neighborhood revival, along with examples of good practices from communities around the

[36] Preserving jobs can indirectly help the housing market, by maintaining the incomes of neighborhood homeowners, as well as potentially motivating them to continue to live in the neighborhood.

United States. While the good practices illustrate what is possible, they are but a handful of the many creative programs and initiatives being pursued in Black middle neighborhoods and elsewhere around the country.

Building neighborhood stability

Neighborhood stability is a function 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' assessment of neighborhood stability: *property conditions, school conditions and safety.* These can be considered the *core* stability features of a neighborhood and are shown in Table 12 along with some of the strategies that can 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.

Ideally, every building and lot contributes positively to a harmonious whole. Realistically, a good neighborhood may have many buildings that do not affirmatively contribute but do no harm. Vacant boarded or unsecured buildings, visibly run-down occupied buildings, and trash-strewn vacant lots, however, do harm. They send signals that the neighborhood is in trouble, and that no one is capable of fixing the problem[37]. Moreover, as research has found, it does not take many such properties to devalue a block or a neighborhood; the first ones do most of the damage. Thus, 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[38]. While this is not quite an all or nothing proposition, it comes close.

[37] Or, to someone who does not understand the economic realities of many urban neighborhoods, that no one cares enough, even though that is rarely the case.

[38] All things being equal, it is almost always preferable to rehabilitate a vacant building than demolish it. That said, both physical and economic conditions, including both the greater cost of rehabilitation and the absence of a ready market for the rehabilitated building, may dictate that large numbers of buildings in some middle neighborhoods may end up being demolished. While this is a painful reality, organizations must avoid demolishing buildings where the effect of the demolition is to materially undermine the fabric and appearance of the block, since that in itself can have a negative effect on the value of the remaining houses.

Table 12: 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

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 is relevant to other households as well. Strong schools are widely seen as a major driver of strong house values, and thus an indicator of overall neighborhood stability. Good educational options can take many forms. They 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 Detroit students, which has helped stabilize that city's Grandmont-Rosedale neighborhood.

Finally, while resident or a prospective buyer can see for herself 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 and misinformation combatted, something which we will discuss under 'building the housing market' below.

<u>Building neighborhood amenities</u>

While neighborhood stability activities also increase the neighborhood's amenities, many other things can be neighborhood amenities, meaning *positive neighborhood features that may draw*

GOOD PRACTICES

St. Louis MO
DeSales Community Development program to acquire and manage small multifamily properties in Fox Park. By acquiring, rehabilitating, and managing formerly derelict small multifamily buildings, DeSales removed a major deterrent to prospective homebuyers while creating an inventory of long-term affordable housing.

St. Louis MO
City Garden parent-organized and led Montessori K-8 Charter School in Southwest Gardens. A racially and economically diverse group of parents created an outstanding charter school, which has enhanced the neighborhood's appear to families with children.

Youngstown OH
Youngstown Neighborhood Development Corporation Lots of Green program in Idora. A comprehensive strategy to transform all the vacant lots in the neighborhood, making them attractions rather than eyesores, helped stabilize a struggling neighborhood.

new buyers or retain existing owners. Some of the most important ones are summarized in Table 13. Some of these 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 may be taken for granted, but poor public services, such as lack of street maintenance, irregular garbage pickup, or broken streetlights, particularly if layered on top of a real or perceived decline in neighborhood stability, can be a powerful factor driving a neighborhood's middle-class homeowners to look elsewhere. The relationship between amenities, neighborhood strength and market demand is complex.

Table 13: Core Neighborhood Amenity Elements

ELEMENT	STRATEGIES
Quality of public services	Improve garbage collection Replace/upgrade street and sidewalk lighting Street and sidewalk repairs
Park and public realm programs	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	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	Access to commuter rail or light rail service Access to bus or bus rapid transit (BRT) service Adequate off-street parking Walkability

Simply having a park in the neighborhood is not an amenity. Whether a park is an amenity either for existing residents or potential buyers is a function of how well maintained and clean it is, how safe it is and how actively it is used. The impact of a largely unused, poorly maintained, or unsafe (or perceived to be unsafe) park is not much different from that of having a large abandoned building in the middle of the neighborhood. At the same time, as happened in Baltimore's Patterson Park neighborhood, restoring and animating a historic park along with a CDC's energetic housing rehab program, jump-started that neighborhood's revival.

The effect of **transportation** amenities varies widely. While rail or light rail service can be an important draw for new buyers, even good bus service tends to carry far less weight, although it may be an important resource for existing residents. Whether and to what extent bus rapid transit (BRT), such as Cleveland's Health Line and Pittsburgh's Busways, affects market demand is unclear. At the same time, experience has shown that simply putting a light rail station in a distressed neighborhood without addressing that neighborhood's stability deficits rarely affects market demand or neighborhood vitality. Similarly, although given little attention by planners, the lack of adequate off-street or on-street parking in urban neighborhoods of closely-packed one, two and three-family houses can be a factor in families' decision to move to lower density suburban neighborhoods.[39]

Finally, although the role of **arts and cultural activities** in both drawing new buyers and holding onto existing owners is hard to quantify, it is clearly important. A vibrant arts and cultural scene can draw new buyers, including both artists and non-artists. By incorporating community and youth-oriented activities, it can contribute to building social capital, and enhancing the neighborhood's quality of life. Moreover, a vibrant arts scene can send strong and positive messages about a neighborhood's cultural identity, something that is particularly relevant to African American neighborhoods. At the same time, as with parks, one must avoid thinking of art or culture as generic; different forms or genres of art send different messages 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 empty nesters or older people.

[39] This point was stressed by participants in focus groups of immigrant homeowners in Detroit attended by the author in 2019. Planners, somewhat perversely, tend to overstate the importance of parking with respect to new development and understate its significant in terms of the health of existing built neighborhoods.

GOOD PRACTICES

Baltimore MD
Patterson Park CDC with Friends of Patterson Park neighborhood initiative. These organizations mounted parallel programs to restore a historic urban park and rehabilitate housing in the neighborhood adjacent to the park, leading to a dramatic transformation of the neighborhood.

Detroit MI
Public Lighting Authority.
A citywide program that replaced every streetlight in the city over a three- year period, leading to significant increases in perceived safety and neighborhood confidence.

Orange NJ
HANDS, Inc. Valley neighborhood strategy.
HANDS, a community-based nonprofit corporation, used a multifaceted arts-based strategy, including artists' housing, public art, a jazz venue and more to revitalize the distressed Valley neighborhood.

<u>Building the housing market</u>

Neighborhood housing markets are driven by the "package" of stability and amenities a neighborhood offers. From an economic standpoint, one can think of prospective homebuyers comparing and evaluating the packages offered by different neighborhoods, weighing neighborhood curb appeal, schools and transit, parks, and proximity to shopping, and make their choice. In reality, it is far from that straightforward. The ability of buyers 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 be constrained by the absence of suitable housing options in those 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 a neighborhood's market-building strategies, as outlined in Table 14, is to ensure to the extent feasible that prospective buyers have accurate information about the neighborhood and are not prevented from buying either by their own financial constraints or inadequate housing options being available in the neighborhood.

Information is essential. A neighborhood with a great story that nobody outside the neighborhood knows is a neighborhood without a story, or the wrong story. Prospective homebuyers get information from real estate salespeople, co-workers, web sites and social media, as well as by driving around different neighborhoods. Neighborhood organizations need to understand how to use all available media, beginning with word of mouth, to get their story to

Table 14: Core Housing Market Building Elements

ELEMENTS	STRATEGIES
Neighborhood marketing	Neighborhood branding Target marketing Increasing neighborhood 'curb appeal'
Ensuring availability of suitable housing options	Rehab and ready programs Half-bath program 'Model block' programs
Expanding the pool of potential homebuyers	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	Home repair and upgrading loans and grants Accessing property tax relief programs (circuit-breakers) Homeowner counseling and assistance Foreclosure prevention programs

prospective buyers, including both people already living in the city and region, and people moving from outside the area. Since there are many good publications that deal with neighborhood marketing, this subject will not be discussed further here.[40]

A recurrent problem that arises in conversations with those involved in revitalizing Black middle neighborhoods is the condition of the housing stock that comes on the market. The newest middle-income neighborhoods in older cities are over 50 years old, and many are 80 or more years old. Houses that come on the market have often been owned by elderly, financially strapped homeowners who have deferred repairs and made few changes over the years, or by landlords who have provided little ongoing maintenance. In either case, houses need major work to comfortably accommodate a young family, and often lack basic amenities buyers expect, like a second bathroom. This is likely to be a particularly serious problem in Black neighborhoods, because of the greater financial constraints of many previous owners.

Although a few people have the inclination, energy, time, and money to take a house that needs major work and devote the years of effort it may need to become a livable home, they are rare[41]. Most homebuyers, especially those with children, look for a house they can move into and live

[40] There are a number of good pieces worth reading on neighborhood marketing that specific focus on urban neighborhoods. See Marcia Nedland, "Using Place Branding Strategy to Create Homebuyer Demand for Legacy City Neighborhoods" https://www.frbsf.org/community-development/publications/community-development-investment-review/2016/august/using-place-branding-strategy-to-create-homebuyer-demand-for-legacy-city-neighborhoods/ and Alan Mallach, Neighborhood Branding and Marketing: An Overview https://neighborworks.org/Documents/Community_Docs/Revitalization_Docs/StableCommunities_Docs/Neighborhood-Marketing-Overview.aspx. The NeighborWorks America Neighborhood Branding and Marketing Guide includes a number of additional publications dealing with specific aspects of neighborhood marketing.
[41] Moreover, such people tend to seek out houses of particular architectural or historical interest in order to justify the level of investment they plan to make, something which is not typical of most Black middle neighborhoods. They also tend to be people with reserves of discretionary income or wealth.

comfortably in with at most modest repairs or cosmetic improvements. While they may like the neighborhood, if they cannot find a house that meets that standard, they may well move elsewhere, albeit regretfully. As a result, an important task of organizations rebuilding middle neighborhoods is to grow the pool of houses in 'move-in' condition on the market.

Low house prices in many Black middle neighborhoods, although a problem in many respects, offer the possibility that many households with modest incomes may be able 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 in the same area.* While not all renter households with annual incomes of $30,000 to $45,000 have the economic stability to make homebuying a realistic option, many do, and many would benefit from the move from rental to ownership. Homebuying for households in this income range is often constrained by many factors, including information, preparation and training, funds for down payment and closing costs, credit repair, and the availability of small dollar amount mortgages[42].

GOOD PRACTICES

Detroit MI
Detroit Land Bank Authority Rehab and Ready program. The Detroit Land Bank identifies potentially market-suitable houses in selected neighborhoods and hires contractors to make them move-in ready as well as facilitating access to mortgages for prospective buyers.

Rochester NY
NeighborWorks Rochester Half-Bath Program.
NeighborWorks Rochester created a program to assist homeowners to add a half bathroom to one-bathroom older homes, to increase their market value and the likelihood that they would be bought by homebuyers rather than investors.

Louisville KY
MicroMortgage Marketplace.
FAHE, a regional CDC and the Homeownership Council of America created this pilot project to reduce fees and costs, simplify loan processing and offer flexible underwriting to make mortgages under $100,000 available to low and middle-income families.

Effective outreach to potential homebuyers meeting the above description, including families who may currently be renting in the neighborhood, can significantly expand the pool of potential buyers for the neighborhood's homes. Making such a strategy work, however, requires putting together a seamless process beginning with outreach and including housing counseling, financial assistance where needed, lenders willing to provide mortgages, and where possible, an ongoing support system to ensure sustainable homeownership.

[42] A number of practitioners have noted the reluctance of lenders to make small mortgages, typically for $50,000 or less, because the fees associated with them do not cover their processing costs. The Urban Institute has published a study in 2018, *Small Dollar Mortgages for Single Family Residential Properties,* documenting the problem. https://www.urban.org/research/publication/small-dollar-mortgages-single-family-residential-properties

Building community cohesion and social capital

One of the most important features contributing to sustained neighborhood vitality is the level of the neighborhood's social capital, reflected in turn in the nature of community life and the extent to which neighborhood residents exercise what sociologists call *collective efficacy*. Social capital has been defined by Robert Putnam as a combination of civic engagement and trust, or the extent to which people feel mutual obligations to one another[43]. The concept of collective efficacy was developed by sociologist Robert Sampson and his colleagues. It is related to social capital in its underlying premises, but more directly links social behaviors to neighborhood change. Sampson has defined it as "social cohesion combined with shared expectations for social control,"[44] a concept that echoes Jane Jacobs' earlier insight in *The Death and Life of Great American Cities,* that "a successful neighborhood is a place that keeps sufficiently abreast of its problems so it is not destroyed by them." Sampson and his colleagues add that "social control should not be equated with formal regulation or forced conformity by institutions such as the police and courts. Rather, social control refers generally to the capacity of a group to regulate its members according to desired principles—to realize collective, as opposed to forced, goals."[45] Studies have linked higher levels of neighborhood social capital to greater neighborhood stability[46], and higher levels of collective efficacy to lower rates of neighborhood crime and violence, both important indicators of stability[47].

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, often tied to specific interests and personal or family priorities, and can include school-based parents' organizations, youth or sports organizations, affinity groups, block watch or other anti-crime organizations, business or merchants' organizations, and more broadly-based civic associations and neighborhood organizations. Many residents are also likely to be involved other types of organizations, including membership in faith communities or fraternal organizations, some of which may be neighborhood-based[48].

[43] Putnam, Robert D. "The Prosperous Community: Social Capital and Public Life." *The American Prospect* 13, (Spring 1993). The Anne E. Casey Foundation has published an excellent discussion of the dynamics and role of social capital, *Social Capital in Community Development* (2004), available at https://www.aecf.org/resources/the-role-of-social-capital-in-building-healthy-communities/

[44] Sampson, Robert J. *Great American City*. Chicago IL: University of Chicago Press (2012). This book, although dense and complex, contains many valuable insights into the working of neighborhood dynamics and neighborhood effects, making it well worth the effort. Sampson has developed a number of metrics that can be adapted by community-based organizations to measure the level of collective efficacy in a community.

[45] Sampson, Robert J., Stephen W. Raudenbush and Felton Earls. "Neighborhoods and Violent Crime: A Multilevel Study of Collective Efficacy" Science 277 (1997) 918–924.

[46] Temkin, Kenneth and William Rohe. "Social Capital and Neighborhood Stability: An Empirical Investigation" Housing Policy Debate 9:1 (1998) 61–88

[47] See also Morenoff, Jeffrey D, Robert J. Sampson and Stephen W. Raudenbush. "Neighborhood inequality, collective efficacy, and the spatial dynamics of urban violence" Criminology; 39:3 (2001) 517–559

[48] It is common for people who move out of an area to retain an attachment to and attendance at a church within their old neighborhood.

Table 15: Elements in Enhancing Community Cohesion and Social Capital

ELEMENT	STRATEGIES
Creating strong neighborhood cohesion through informal and organizational networks	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

A multiplicity of organizations, however, does not in itself lead to increased social cohesion. For that to happen, two criteria must be met. 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 as well as people in the neighborhood who are not organizationally engaged and disseminate a shared neighborhood 'ethos' or value system.

Figure 16: Mural (detail) in Mid-City Neighborhood, Baton Rouge, Louisiana

Source: 225 Magazine

Organizations, and sometimes individuals who come together through informal networks, can pursue a variety of 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 the neighborhood history project carried out in Shaker Heights described below. Other activities, such as organizing community gardens or youth activities, can also help build community cohesion. 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. Even when they may not have such roots, by virtue of their staff and mission, their staff can help cultivate the networked relationships between the different neighborhood-based organizations, as well as mobilize them when needed to work together on key neighborhood priorities, such as advocating for neighborhood improvements or fighting a proposal that would do harm to the neighborhood. Where the CDC is actively engaged in marketing the neighborhood, the network of neighborhood organizations can become a key resource in that effort.

GOOD PRACTICES

Shaker Heights, Ohio
The Moreland neighborhood of Shaker Heights is a representative Black middle neighborhood in an inner ring suburb of Cleveland. Re-engaging the community after the foreclosure crisis was key to the success of the **Moreland Rising** revitalization initiative, and it started with a focus on the area's history. As residents said, "how can we talk about our future, without understanding our past?" The City brought academics, architects and historians together with the residents to do original research on the neighborhood's history, resulting in a Moreland History webpage, a digital inventory of the neighborhood's homes and their original building cards, an architectural guide and coloring book, oral histories carried out by residents, and even a scavenger hunt to introduce others to the neighborhood's rich history.

By learning and working together on these projects, residents built relationships of trust with each other, with the City and with the partner organizations they worked with. Their experiences helped foster discussions about community, about change, and laid the foundation for discussions about how to build a new future. Learning the community's history also built neighborhood pride and enabled the community to begin the process of taking control of the narrative about their community. It led residents to focus on talking about who and what they *were*, rather than a previous narrative by outsiders about what they *were not*[49].

Baton Rouge, Louisiana
The Mid-City Redevelopment Alliance organized the Mid-City mural project in conjunction with a local school, the Louisiana Key Academy, that had just gone through a major expansion, leaving a 250 foot blank wall on a key neighborhood block. In partnership with Mid-City Merchants, a local artists collective and local residents, a mural featuring students and books was created by the community (Figure 16). This project not only helped build community cohesion, but was a project that could be carried out during the 2020 coronavirus pandemic, which had forced the Redevelopment Alliance to cancel its nearly 25-year tradition of hosting a spring arts festival as well as its annual community improvement project, FIXUP Mid City.

[49] My thanks to Kamla Lewis, Director of Neighborhood Revitalization, Shaker Heights, Ohio, for this description.

Conclusion

I will end with the same point as the beginning. 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. As such, 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 assets for rebuilding both in their physical form and their social resources. But rebuilding requires rethinking. Attempts to recreate Black middle neighborhoods as they were during their early days in 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 for a community that is, in Nedra Sims Fears' words, "cooperative, supportive, loving and nurturing," that they can become a part of. 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.

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Appendix

Table A1: Market Trends in Stable Black Middle Neighborhoods in Baltimore

TRACT/ NEIGHBORHOOD	YEAR	MEDIAN HH INCOME	BLACK %	POP	MEDIAN SALES PRICE	HOME SALES	ABSENTEE BUYER %	OWNER OCCUPANT BUYERS	HOME-OWNERS	BUYERS AS % OF OWNERS	RENTERS
905 Better Waverly	2000	$ 27,076	89.1%	2086	$52,750	28	20.8%	22	389	5.7%	363
	2010	$ 36,507	84.5%	1964	$75,000	19	27.8%	14	362	3.8%	350
	2018	$ 42,296	67.8%	1865	$57,200	27	20.8%	21	360	5.8%	320
1302 Reservoir Hill	2000	$ 27,356	91.8%	3088	$56,000	31	23.8%	24	307	7.7%	912
	2010	$ 30,255	87.0%	2775	$106,800	39	34.2%	26	295	8.7%	864
	2018	$ 46,690	80.7%	2723	$256,250	49	24.5%	37	400	9.3%	697
2501.01 Beechfield	2000	$ 32,276	84.7%	3678	$62,600	43	9.8%	39	840	4.6%	534
	2010	$ 52,098	89.6%	3626	$139,950	53	15.1%	45	854	5.3%	549
	2018	$ 54,092	79.8%	4340	$130,500	55	14.8%	47	920	5.1%	693
2708.03 Loch Raven	2000	$ 32,632	82.0%	6346	$67,900	79	6.3%	74	1224	6.0%	1665
	2010	$ 42,234	89.2%	6268	$135,000	32	31.0%	22	1146	1.9%	1756
	2018	$ 51,510	88.5%	6846	$139,000	61	23.0%	47	1064	4.4%	1865
2709.01 New Northwood	2000	$ 31,778	94.3%	4299	$69,999	31	8.1%	29	958	3.0%	714
	2010	$ 51,023	96.8%	4043	$127,000	23	28.6%	16	889	1.8%	739
	2018	$ 52,803	94.1%	4348	$160,000	52	15.7%	44	881	5.0%	815
2801.02 Grove Park/W Arlington	2000	$ 35,244	96.6%	6290	$70,750	55	7.9%	51	1418	3.6%	974
	2010	$ 33,938	96.9%	6045	$109,750	48	30.4%	33	1422	2.3%	956
	2018	$ 55,243	97.4%	6177	$126,500	105	19.2%	85	1535	5.5%	888
2803.02 West Forest Park	2000	$ 26,432	95.5%	2449	$71,000	11	26.3%	8	432	1.9%	604
	2010	$ 33,864	94.9%	2282	$94,000	20	38.9%	12	354	3.5%	626
	2018	$ 43,438	89.0%	2464	$202,500	23	4.3%	22	309	7.1%	690

Table A2: Socio-Economic Trends in Stable Black Middle Neighborhoods in Baltimore

TRACT/ NEIGHBORHOOD	YEAR	HOUSE-HOLDS	% MARRIED COUPLES WITH CHILDREN	NUMBER OF MARRIED COUPLES WITH CHILDREN	% IN POVERTY	NUMBER IN POVERTY	VACANT UNITS	OTHER VACANT UNITS	OTHER VACANT UNITS %	TOTAL DWELLING UNITS
905 Better Waverly	2000	752	12.5%	94	22.0%	455	124	57	6.5%	876
	2010	712	6.0%	43	32.0%	619	123	61	7.3%	835
	2018	680	6.3%	43	18.9%	352	182	137	15.9%	862
1302 Reservoir Hill	2000	1219	8.4%	103	33.3%	1026	498	302	17.6%	1717
	2010	1159	2.5%	29	34.6%	1102	414	194	12.3%	1573
	2018	1097	2.5%	27	17.9%	485	182	137	11.1%	1234
2501.01 Beechfield	2000	1374	12.9%	177	16.2%	585	88	28	1.9%	1462
	2010	1403	10.9%	153	11.9%	438	113	18	1.2%	1516
	2018	1613	6.9%	111	17.9%	762	97	18	1.1%	1710
2708.03 Loch Raven	2000	2889	11.0%	318	11.7%	720	171	73	2.4%	3060
	2010	2902	7.4%	216	11.8%	644	149	44	1.4%	3051
	2018	2929	9.9%	290	5.9%	396	221	40	1.3%	3150
2709.01 New Northwood	2000	1672	11.3%	189	14.3%	603	82	17	1.0%	1754
	2010	1628	8.8%	144	9.5%	416	131	28	1.6%	1759
	2018	1696	9.4%	159	7.6%	323	80	45	2.5%	1776
2801.02 Grove Park/W Arlington	2000	2392	10.4%	249	15.4%	941	203	42		2595
	2010	2378	8.6%	205	20.4%	1259	266	126	4.8%	2644
	2018	2423	2.6%	62	14.6%	869	411	229	8.1%	2834
2803.02 West Forest Park	2000	1036	12.0%	124	26.1%	640	97	29	2.6%	1133
	2010	980	5.0%	49	33.8%	765	121	50	4.5%	1101
	2018	999	6.2%	62	17.8%	438	119	52	4.7%	1118