

**Title:** Managing Neighborhood Change A Framework for Sustainable and Equitable Revitalization

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**Weblink:** <http://www.nhi.org/pdf/ManagingNeighborhoodChange.pdf>

**Recommended Methods:**

This report, geared towards CDCs, local officials, and other stakeholders, including local institutional, business, and community leaders, attempts to outline strategies for managing neighborhood change in order to bring about sustainable and equitable revitalization.

The author identifies external and internal factors of neighborhood change. External factors include immigration, competing sources of housing supply, and job and business growth. Internal factors include desirability of neighborhood housing stock, neighborhood stability, and neighborhood amenities and quality of life. He also offers a useful typology of neighborhood housing market features that classified neighborhoods into six types. Strategies for addressing the internal and external factors of neighborhood change are outlined in the next column.

**Recommended Policies/Strategies and Reported Successes from Case Examples:**

Strategies to increase the desirability of neighborhood housing stock/address housing deficiencies

- **Physical characteristics of housing stock do not reflect market demand**
  - Create large-scale market-changing or transformative redevelopment projects
  - Build new housing in smaller developments or scattered throughout the neighborhood designed to meet target-market demand
  - Create housing to meet demand through rehabilitation and reconfiguration of existing stock
  - Create housing to meet demand through adaptive reuse of nonresidential structures, such as industrial loft buildings
- **Cost to build or rehabilitate housing in neighborhood exceeds market value of improved property**
  - Provide incentives for individuals to build or rehabilitate housing for owner-occupancy
  - Use capital subsidies to enable developers or CDCs to build or rehabilitate housing to sell to homebuyers

- **Properties in neighborhood are not appreciating or losing value**
  - Provide equity-protection insurance
- **Potential target markets are not aware of availability of desirable housing stock**
  - Carry out neighborhood target-marketing
  - Undertake neighborhood promotional activities
  - Increase effectiveness of real-estate brokerage activities in neighborhood

Strategies to increase neighborhood stability

- **Abandonment**
  - CDC rehabilitation program targeting abandoned properties
  - Incentives for middle-income households to buy and rehabilitate abandoned properties
  - Early warning system with intervention to prevent abandonment of properties at risk
- **Foreclosures**
  - Foreclosure-prevention programs for homeowners
  - Provision of post-purchase homebuyer counseling
  - Financial literacy/anti-predatory-lending programs
- **Property disinvestment**
  - Home-repair assistance programs
  - Financial-assistance programs for landlords
  - Incentives for homeowners
  - Community-building strategies
  - Neighborhood clean-up efforts
  - Targeted code-enforcement programs
- **Concentration of poverty**
  - Retain and attract middle- and upper-income homebuyers or renters
  - Improve educational and training opportunities for neighborhood residents
  - Improve access to employment opportunities for neighborhood residents
- **Crime**
  - Community and problem-oriented policing strategies
  - Reconfiguration of physical environment (defensible space)
- **Homeownership**
  - Build on vacant land or rehabilitate vacant properties for owner-occupancy
  - Foster conversion of multifamily rental housing to cooperative or condominium ownership
  - Foster conversion of 1- to 4-unit rental housing to homeownership

Strategies to enhance the value of neighborhood amenities

- **Appearance**

- Appearance of vacant lots
- Appearance of vacant buildings
- Trash and debris in streets and front yards
- Unattractive, incompatible uses such as junkyards, auto-body shops
- Graffiti
- Quality of streetscape
- Appearance of commercial areas ( facades, parking areas, sidewalks)
- **Parks and open space**
  - Amount and characteristics of open space
  - Utility of open space (fit between neighborhood recreational needs and nature of facilities)
  - Maintenance and appearance of open space
  - Programming and activity level in open space
  - Safety of open space
- **Economic opportunity**
  - Number and quality of jobs
  - Number and quality of jobs easily accessible to residents through public transportation
  - Small-business opportunities
- **Transportation**
  - Journey to work access
  - Variety of other public transportation destinations (downtown, shopping centers, other major destinations)
  - Frequency of service
  - Quality of service (length of trip, appearance of vehicles, price)
- **Shopping**
  - Access to basic shopping needs
  - Variety and nature of shopping
  - Appearance of stores
  - Price and quality of merchandise
  - Access to dining and entertainment opportunities
- **Schools**
  - Quality of educational program
  - Safety on school grounds and on way to/from school
  - Appearance/condition of school facilities

#### Strategies to preserve and expand affordable housing

- **Preserve existing subsidized or affordability controlled housing**
  - Upgrade quality/appearance of existing subsidized housing stock
  - Ensure a high level of maintenance and repair in existing subsidized housing stock
  - Facilitate retention of projects subject to expiring use restrictions as permanent or long-term affordable housing \*

- Require one-to-one replacement of subsidized units removed by redevelopment or other public action
- **Preserve affordability in private-market housing stock**
  - Provide incentives such as rehab grants/loans or tax abatements to landlords in return for maintaining affordability \*
  - Enact rent-control ordinance, or amend ordinance to remove vacancy decontrol \*
- **Convert private market housing into affordability controlled housing**
  - Enact ordinance giving tenants right of first refusal, and create financing program to enable tenants to purchase properties and maintain as affordable housing \*
  - Undertake program of acquisition/rehabilitation of privately owned properties to be maintained as affordable housing
- **Create new affordability controlled housing**
  - Create land bank of vacant publicly owned land to be held in reserve for future construction of affordable housing
  - Create property acquisition fund to make possible acquisition of privately owned land for affordable-housing development
  - Enact inclusionary zoning ordinance requiring that a percentage of units in future market-rate developments be affordable-housing units and ensuring that units created remain affordable on a long-term basis
  - Enact affordable-housing replacement ordinance, requiring replacement of affordable units lost through demolition, condominium conversion or conversion to non-residential use or requiring housing trust fund contributions in lieu of providing replacement units
  - Use vacant property receivership to restore properties held vacant for speculative purposes

#### Strategies to prevent involuntary displacement of low-income residents

- **Homeowners**
  - Provide educational and informational programs to combat predatory lending and unscrupulous contracts
  - Provide foreclosure-prevention assistance and other activities to reduce the risk of foreclosure
  - Provide assistance and alternative sources of financing for home repairs and refinancing
  - Provide property-tax circuit-breakers or other forms of tax adjustment to limit property taxes or rate of tax increases
  - Provide assistance to owners to create accessory apartments or establish boarder programs to reduce financial burden of homeownership
- **Tenants in private-market housing**
  - Enact ordinance giving tenants right of first refusal, and create financing program to enable tenants to purchase properties and maintain them as affordable housing

- Enact rent control ordinance, or amend ordinance to remove vacancy decontrol
- Amend relocation laws to provide that they are triggered by private displacement and ensure adequate levels of relocation assistance
- Strengthen landlord-tenant laws including penalties for landlord harassment of tenants
- Provide incentives such as rehab grants/loans or tax abatements to landlords in return for maintaining affordability
- **Tenants in subsidized or affordability controlled housing**
  - Ensure a high level of maintenance and repair in existing subsidized housing stock

Facilitate retention of projects subject