

**Building Advocacy for Middle Neighborhoods
Breakout Session Discussion Outline
November 14, 2018**

Northeast Ohio's Middle Neighborhoods: An Opportunity for Action

There is a growing understanding in America that middle neighborhoods need attention lest they fall into decline. This category of neighborhoods—neither the strong neighborhoods like Tremont and Shaker Heights nor the deeply distressed like Central neighborhood—houses a substantial portion of the Cleveland area population, yet, there is no organized wider effort to prevent these neighborhoods from declining.

Cleveland has one of the strongest organizational infrastructures for improving neighborhoods in the nation and has been in the vanguard since the formation in 1988 of what is now Cleveland Neighborhood Progress. This organization and the broader network of neighborhood leaders, financing entities, rehab companies, governments and academics, have succeeded in providing substantial assistance to house low-income populations and improve low-income neighborhoods.

Northeast Ohio, with this very strong community development system, has the capability of adding the stabilization of middle neighborhoods to its community and economic development agenda. This is important for at least two reasons:

- First, strengthening middle neighborhoods could achieve tangible, measurable outcomes for racial equity for Cleveland and its surroundings. This is because strengthening this category of neighborhoods, often strongholds of diversity, will boost the ability of African American homeowners to build financial equity in their homes, reducing the wealth gap in the region.
- Second, stabilizing or slightly increasing home prices in middle neighborhoods means that Cleveland and suburban jurisdictions will have more resources to provide public services throughout the city, provided the decline in property tax collections can be curtailed and stabilized.

The experience in Baltimore, which has the most advanced middle neighborhoods program in the nation, indicates that a well designed and well orchestrated program to improve middle neighborhoods can preserve home equity and the tax base without gentrifying middle neighborhoods. Similar activities in Northeast Ohio could also have positive results.

Possibilities for a Northeast Ohio Demonstration Project

The working group meeting on middle neighborhoods organized by the Federal Reserve Bank of Cleveland, Old Brooklyn CDC, Cleveland Neighborhood Progress, and The American Assembly has created a spike in interest about improving middle

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neighborhoods in Northeast Ohio. In an effort to explore the possibility of developing a more robust middle neighborhoods improvement program in the region, the following actions would need to be taken:

1. A multi-jurisdiction working group is formed and staffed with sufficient expertise, including the areas of community development, philanthropy, and private lending. This group or a subset would serve as a steering committee for a demonstration program in Cleveland and/or another part of Northeast Ohio.
2. Cleveland State University, perhaps in concert with the Lincoln Institute of Land Policy or the Philadelphia-based Reinvestment Fund, undertakes a research initiative to determine where the city's middle neighborhoods are located, what are their trajectories, and what is the current local capacity to strengthen them.
3. A cohort of Cleveland-area community development leaders, local philanthropies, and lenders travel to Baltimore to examine the Healthy Neighborhoods program and understand the operational model and impact of a revolving loan pool formed primarily by private lenders. An additional trip to Philadelphia could help the working group learn about how City Council created a loan pool for housing rehabilitation, and what makes it successful.
4. Based on these three actions, the working group/steering committee determines whether there are sufficient resources to design and implement an initiative to strengthen middle neighborhoods, in one or more neighborhoods in Cleveland or between Cleveland and Akron.
5. If the answer to action 4 is positive, then Cleveland Neighborhoods Progress could be tasked and funded to develop a business plan for a new organization or subsidiary of CNP to tackle improvement of middle neighborhoods in the region, and to seek the funds needed to capitalize such an organization. Alternatively, City Council could adopt a pilot program similar to the efforts undertaken in Philadelphia or Des Moines, Iowa.