

**NEIGHBORHOOD REVITALIZATION  
IN THE  
NEIGHBORWORKS NETWORK**

A Report to Congress

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# NEIGHBORHOOD REVITALIZATION IN THE NEIGHBORWORKS NETWORK

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## Introduction

NeighborWorks was established by Congress in 1978 to promote affordable housing and neighborhood revitalization efforts across the country through a resident-led partnership model that recognizes the diversity of needs and opportunities in communities across the country. Throughout its history, NeighborWorks America has focused its neighborhood revitalization work on initiatives that are responsive to local and regional market conditions and the needs of the network, capitalizing on local strengths to enhance quality of life for community residents. Creating strong communities requires community development organizations to adopt a holistic approach that addresses an array of neighborhood revitalization issues in addition to affordable housing, including access to transportation, communications or hardscape infrastructure, safe places for children to play, high-quality schools, healthy food, and employment opportunities.

The success of place-based community development efforts hinges not only on the strength of community development organizations and quality of their services but on their ability to engage community residents and stakeholders. Community stakeholders are best positioned to articulate local priorities, define a community's needs, and identify the most promising opportunities. Resident engagement is vital to ensuring the success and sustainability of community development initiatives. NeighborWorks will continue its work with the network organizations to advance positive outcomes for people and places and to respond to challenges presented by the coronavirus pandemic, emphasizing community strengths to encourage locally responsive investments and promoting the skills and tools necessary to address differing local needs.

NeighborWorks America is committed to the economic vitality of urban, suburban, and rural communities across the nation. By offering a diverse portfolio of services, NeighborWorks can tailor support to community-based organizations working to address their unique needs, including:

- Place-based community stabilization strategies aimed at restoring the physical conditions, redeveloping abandoned or distressed properties, making infrastructure improvements, prioritizing economic vitality, and rebuilding the image of communities;
- Community engagement strategies that celebrate the diversity and strengths of communities and ensure investments reflect the priorities of residents, neighborhood businesses, and other key stakeholders;
- Investments in housing and community that improve the health, safety, and general well-being of residents; and
- Targeted focus on meeting the needs of rural and underserved communities including a growing focus on rural areas confronting persistent poverty.

While the specific strategies and tools for addressing these needs vary from one community to the next, within the network, neighborhood revitalization efforts often aim to achieve a set of common goals and outcomes including:

- A strong and balanced real estate market, where demand for homeownership is solid and prices are not declining (nor appreciating too rapidly);
- A positive reputation where current and prospective residents feel confident in the future direction of the neighborhood; and,
- Engaged residents who lead and contribute to activities that create a high quality of life.

One hundred and thirty-seven NeighborWorks organizations report that they are engaged in targeted, place-based revitalization efforts. These efforts have primary goals of stabilizing real estate markets, improving physical conditions and enhancing community image. The intention is to reverse destabilizing trends, including declining property values, the loss of homeowners, a lack of financial and economic opportunity, a decline in social connectivity, and an increase in vacant properties and blight. These goals are often advanced through a comprehensive set of strategies that are outlined in a community-led plan.

NeighborWorks is able to document the positive change that has resulted through the network's revitalization efforts through the Community Impact Measurement (CIM) project. Through CIM, more than 100 NeighborWorks network organizations across the country have used a rigorous data collection method to document their impact in their communities. Over a three-year period from 2014-2017, 75 percent of the organizations participating in CIM demonstrated positive change across three dimensions: (1) more positive community perceptions, (2) increased social capital and (3) improved physical conditions. In 87 percent of the communities, one-half or more residents surveyed reported that they believed the community would improve in three years – a sign of improving quality of life.

## Background

- During the Great Recession, NeighborWorks supported the network in responding to the impacts of the foreclosure crisis on their communities.
  - This included supporting the network as they deployed more than \$230 million in Neighborhood Stabilization Program (NSP) funding to acquire and rehab foreclosed and vacant properties.
  - To further facilitate the transfer of foreclosed and vacant properties to nonprofits, NeighborWorks was also among the founding members of the [National Community Stabilization Trust](#) and continues to serve on its Board.

- NeighborWorks provided foreclosure counseling services to more than 2.14 million homeowners as part of the National Foreclosure Mitigation Counseling Program.
- NeighborWorks administered the Capital Funding for Rehabilitation of Affordable Housing (CFRAH) program, a special grant program created by Congress to provide \$35 million in capital grants for rehabilitation of affordable housing units.
- In addition to supporting the repurposing of vacant properties, NeighborWorks also supported the network in implementing broader revitalization strategies focused on building pride and confidence and restoring homeowner demand in places that suffered from disinvestment.
  - From 2012-2016, NeighborWorks supported more than 50 communities across the country in launching [neighborhood branding and marketing campaigns](#) focused on rebuilding market demand to attract and retain homeowners, businesses and investment.
- In 2014-2016, NeighborWorks made a series of catalytic grants to advance housing market recovery in places suffering from foreclosure and disinvestment.
  - These grants focused on comprehensive, cross-sector strategies and resulted in rehabbed housing, enhanced public spaces, business façade improvements, expanded housing and financial counseling services, and a range of resident engagement and leadership development activities.
  - The 14 participating organizations were able to leverage \$4 million in grants from NeighborWorks to attract a total of \$58 million in support of their neighborhood revitalization efforts.
- From 2016-2019, NeighborWorks administered Project Reinvest, a one-time, field-wide, competitive grant program that awarded 140 grants totaling approximately \$107 million to nonprofit organizations serving communities hardest hit by foreclosure.
  - In addition to supporting homeownership and financial capability, NeighborWorks provided \$27.5 million to 55 organizations under Project Reinvest: Neighborhoods.
  - These organizations used the funding to address the physical impacts of the crisis, including supporting the redevelopment of vacant lots, building community-designed parks and art installations, dilapidated housing demolition, deconstruction or rehabilitation, and commercial redevelopment.
  - Many grantees also used the funding to advance their existing comprehensive community development strategies, resulting in an array of outcomes that extend beyond and support physical investments. These broader community revitalization activities included neighborhood marketing, resident leadership development and community building and engagement.

## Current Efforts

### Training

- Through our training platforms, NeighborWorks offers 35+ [courses](#) on neighborhood revitalization, from the essential tools and strategic collaborations to how one evaluates the impact of revitalization work. In just the past five years, over 2,700 participants have completed these courses through NeighborWorks Training Institutes alone, with additional participants enrolled through online virtual training.

### Strategy & Impact Project

- Through the [Strategy & Impact Project](#), NeighborWorks assists network organizations in analyzing primary and secondary data (including data generated through the Community Impact Measurement project) to better understand community needs and develop or refine a comprehensive set of strategies aimed at achieving positive community impact. Through two rounds of this project, NeighborWorks has assisted 31 organizations in developing more robust neighborhood revitalization plans.

### Middle Neighborhoods

- [Middle neighborhoods](#) are a category of neighborhoods that are neither clearly healthy and thriving, nor overtly distressed. Long seen as stable communities for middle- and working-class families, including many households of color, today many middle neighborhoods are on the edge of growth or decline.
- Over the past several years, a collaboration of nonprofits, municipalities, researchers, policymakers, national intermediaries and funders have come together to ensure that middle neighborhoods have a viable future – the goal is to ensure middle neighborhoods offer a high quality of life, have abundant amenities and services, and provide access to homeownership and wealth building opportunities.
- As part of this collaboration, NeighborWorks is supporting a growing [community of practice](#) that is documenting and sharing strategic interventions that stabilize and revitalize middle neighborhoods across the US.
- NeighborWorks will host a symposium during our Virtual Training Institute in August 2021 to highlight promising strategies that have emerged from this community of practice.

### Shared Equity Initiative

- Shared equity housing models create permanently affordable homes, build wealth for families and create vibrant, inclusive and equitable communities through

community land trusts, deed-restricted homes, limited-equity housing cooperatives, and resident-owned manufactured housing communities.

- These models all ensure that families with modest incomes can access stable homeownership while also making sure that affordability remains in the community over time.
- By ensuring that housing units stay affordable regardless of whether a family leaves the neighborhood, shared equity strategies help prevent displacement and ensure stable and diverse neighborhoods. Additionally, data from the recent foreclosure crisis shows that families in shared equity housing are better able to withstand foreclosure than those in the traditional homeownership scenario.
- With a \$5 million multi-year appropriation from Congress, NeighborWorks is implementing a Shared Equity Housing capacity building program to help network organizations launch or expand shared equity housing programs. To support this work, NeighborWorks is offering new trainings, tools and evaluation resources as well as providing feasibility, planning and innovation grants to 28 network organizations that are launching or expanding shared equity models in their communities. Additionally, NeighborWorks is finalizing the criteria for awarding two capital grants based on the specifications outlined in the most recent appropriation for the Corporation and will award them through a targeted application process that will open in August 2021.

### **Small Business Revitalization Grants**

- Through a partnership with Republic Services, in 2020, NeighborWorks provided more than \$800,000 in grants to eight network organizations to support small businesses that were struggling due to the pandemic and/or had sustained damage following civic unrest.
- To further advance revitalization goals, these grants prioritized physical improvements (e.g. façade enhancements or public space beautification) in addition to critical repairs and enhancements that improve the sustainability of the businesses.

### **Community Building and Engagement**

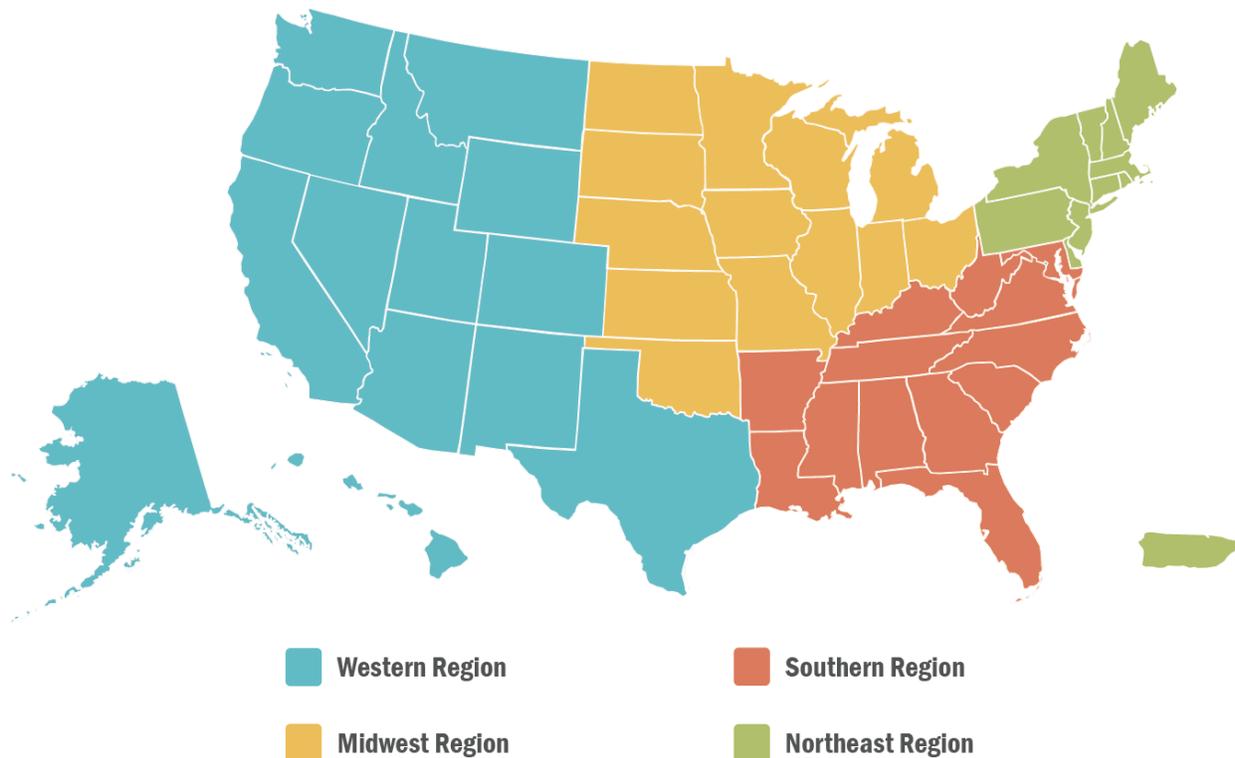
- Engaged residents are a core pillar of neighborhood revitalization efforts. The NeighborWorks Community Building and Engagement (CB&E) program offers a range of resources to support network members in building social connections, creating resident leaders and supporting resident-led plans.
  - *Building Leaders, Building Communities* is a training curriculum that supports prospective leaders in creating the community change they want to see. NeighborWorks makes this curriculum available to its members and provides training on how to adapt and deliver it.

- The [Community Leadership Institute](#) (CLI) is a cornerstone of NeighborWorks America's work to build resident leaders and strengthen communities. A national training event, the CLI enhances the capacity and commitment of local organizations to create community leaders and increase their knowledge, skills, confidence and collective ability. NeighborWorks network organizations and other partners bring together teams made up of community residents and staff from their sponsoring organization to attend the event, where they attend workshops, participate in plenary sessions with their peers, visit local community projects, and begin action planning for a project in their community. These projects are then eligible for a \$4,000 grant from NeighborWorks America, which supports implementation over the following year. As a result of 10 national CLIs and many more at the regional level, thousands of residents have come together to work with their neighbors to bring about positive change.

### **Creative Community Development**

- Increasingly, many neighborhood revitalization efforts incorporate arts and culture-based strategies in order to connect people across differences, amplify residents' voices, generate imaginative problem solving, animate public and private spaces, rejuvenate structures and streetscapes, honor history, improve business viability, and boost jobs and income. In 2018, NeighborWorks published a comprehensive [report](#) on Creative Community Development to catalog the success of this work in communities.
- To support these efforts, NeighborWorks has developed new trainings, supported peer learning cohorts and created new evaluation tools to assist organizations that are exploring ways to more fully integrate arts, culture and community development as part of their place-based strategies.

## Selected Regional Examples



### NORTHEAST REGION

#### Connecticut

##### ***Neighborhood Housing Services of New Haven***

- NHS of New Haven has a long history of promoting neighborhood revitalization and community building and engagement efforts in Newhallville, where they have renovated vacant buildings and developed and sold 34 homes in the neighborhood since 2009. Using a “cluster” approach, they focused on redeveloping several properties on key blocks. This has contributed to improved market conditions in an area that suffers from high vacancy and low homeownership rates. In analyzing results from the Community Impact Measurement project over the past nine years, NHS of New Haven has documented improvements in physical conditions (e.g. improved lighting, less blight, improved upkeep of homes) and residents’ perceptions of safety. The organization is currently participating in the NeighborWorks Strategy and Impact Project with a focus on refining strategies related to public safety, physical conditions, neighborhood beautification and residential repairs.
- NHS of New Haven has also trained more than 100 resident leaders using the NeighborWorks *Building Leaders, Building Communities* curriculum. Graduates of the program have gone on to lead volunteer efforts and community associations, start new

nonprofits, join boards and hold elected offices. NHS of New Haven has also repurposed vacant land for community gardens, a strategy for fostering connections among residents and encouraging healthy eating. NHS of New Haven has sent many teams from Newhallville to the Community Leadership Institute; their most recent team is focused on Creative Community Development efforts that will serve to clean up trash, improve landscaping and remove graffiti.

## Rhode Island

### *NeighborWorks Blackstone River Valley*

- NeighborWorks Blackstone River Valley (NWBRV), which is based in Woonsocket, RI and works across the valley, takes a comprehensive approach to community development. They have revitalized over 100 historic two- and three-family homes around Constitution Hill to provide critical affordable rental housing as well as 18 supportive housing units. Additionally, NWBRV created a mixed-use development at Heritage Place featuring 43 rental units and commercial retail center including their offices, Champs Diner, Dunkin Donuts, and locally-owned small businesses. They have also focused on Creative Placemaking, turning a vacant former hardware store into a kitchen incubator, large multi-use event space, retail space, patio, and 6 units of residential loft-style affordable apartments. The patio is the site for the farmers' market, art shows, and patio concerts featuring local and national bands. The many chef members of the commercial kitchen provide food for the events as well as on- and off-site catering.
- A keystone of their Community Building and Engagement work is their impressive youth learning center. Located in a converted mill, the center has a high rate of young people attending college.
- Through their NeighborWorks HomeOwnership Center, NWBRV provides homeownership counseling and financial capability services. They recently added curricula specifically geared toward Black and Latino residents. Through their participation in NeighborWorks' Strategic Business Initiative, NWBRV has leveraged Salesforce technology to expand their reach to more consumers and more efficiently collect better data. NWBRV is also known for their eviction prevention strategies, including their Rent Rite curriculum and use of AmeriCorps VISTA volunteers to enhance service delivery. They have also taken the lead in the state on administering an emergency rental assistance program.
- NWBRV is also engaged in single family production, including the Woodridge Estates development in Woonsocket featuring townhouse-style units in a quaint neighborhood abutting the Rhodes Avenue Conservation Area and Self-Help housing in Burrillville.

## New York

### *RUPCO*

- Based in Kingston, NY, RUPCO has taken a comprehensive community revitalization approach to its work in the cities of Kingston and Newburgh, NY. In Newburgh, RUPCO is working on the second phase of their EAST END project, which will add 62 units of affordable housing spread over a five-block radius and includes the historic restoration of 12 buildings and new construction of ten buildings. Two currently vacant structures will become community spaces. They are targeting tenants at 30-70% AMI. The first phase of the East End project featured the historic preservation of 15 building to create 45 mixed-income apartments. No other non-profit has changed the physical face of midtown Kingston the way RUPCO has—restoring not just buildings, but whole neighborhoods. Major award-winning historic renovations of vacant properties, all with green features include:
  - Stuyvesant: (1993) Formerly a hotel, the building was closed for 10 years before being redeveloped into 41 apartments for seniors and people with disabilities, where RUPCO has its headquarters.
  - Petit House: (2007) historic gothic revival residence transformed into four affordable condos for first-time homebuyers
  - Kirkland Hotel (2008) seven one-bedroom apartments plus offices and commercial space. Originally built in 1899, this national historic landmark structure was a vacant eyesore for 30 years.
  - The Lace Mill (2015): Transformation of century old abandoned mill into 55 affordable live-work units for artists in Midtown. (80K square feet)
- RUPCO has an emphasis on Creative Placemaking with two new projects in Midtown Kingston, which has been designated as the Midtown Arts District:
  - Energy Square: New, mixed use building on a one-acre former bowling alley. It has 57 units and houses the Center for Creative Education. Energy Square received a LEED Platinum designation and has received awards from the New York State Association for Affordable Housing and the US Green Building Council Upstate New York.
  - Conversion of one of the last empty factory buildings in Kingston into the MetLife building, with a TV/film studio as its anchor tenant.

### *Home HeadQuarters*

- Located in Syracuse, NY, Home HeadQuarters deployed almost \$23 million in community development lending in 2020 through their NeighborWorks HomeOwnership Center. That included \$6 million in home improvement loans, making them the leading home improvement lender in Syracuse and the top home rehabilitation lender for residents of color, exceeding commercial lenders and banks. They are also a leader in healthy homes/lead abatement. Home HeadQuarters

partners with the city on the Syracuse Financial Empowerment Center, which provides financial capability services to local residents.

- Each year, Home HeadQuarters hosts a Block Blitz, which has been promoted as a model around New York State for community engagement. The Block Blitz targets a single neighborhood, deploying more than 300 volunteers to repair up to 50 homes in a single day.
- Currently, they are building 25 new single-family homes as part of a Syracuse's Resurgent Neighborhood Initiative. Home HeadQuarters partners with local land banks across NY state by providing acquisition/rehab loans.

## **SOUTHERN REGION**

### **Florida**

#### ***Rural Neighborhoods Inc.***

- With support from NeighborWorks America, Rural Neighborhoods, Inc (RNI) is leading a comprehensive revitalization plan for [Eden Park-Esperanza Place](#), a rural community in Immokalee that had experienced some of the highest rates of foreclosure in the state. With a grant from NeighborWorks' Project Reinvest, RNI has rehabbed and leased 41 multifamily apartments, rehabbed 34 single-family and 8 owner-occupied homes, and built 2 public art installations.
- Residents remain committed to the community, and RNI has sponsored multiple Resident Leadership Institutes, modeled after NeighborWorks America's Community Leadership Institutes, to grow the capacity of local leaders. Over 60 resident leaders have been trained. In addition, RNI has sponsored a community health fair and eight events with the local police department, while also forming four resident neighborhood watches.

## **MIDWEST REGION**

### **Illinois**

#### ***NHS of Chicago***

- In 2016, NHS of Chicago (NHS) launched the Renew Woodlawn Program in collaboration with other nonprofit partners, developers, residents, and the City of Chicago to create a strong homebuyer market and reduce vacancies in the Woodlawn neighborhood on the south side of Chicago. Through homebuyer education and counseling, NHS equipped residents with the tools needed for responsible homeownership. NHS lending affiliate Neighborhood Lending Services helped buyers access purchase and purchase-rehab financing and identified grants to maximize

affordability. For profit and nonprofit developers rehabilitated vacant 1-4-unit properties for income eligible households. NHS Redevelopment Corporation rehabilitated six properties including a model home in partnership with minority contractors.

- NHS established its neighborhood presence in Chatham, the historic heart of Chicago's African American middle- and working-class African American neighborhoods in 2018 as the official housing partner of the Greater Chatham Initiative (GCI). GCI is a collaborative effort to strategically invest in the Chatham area so it can re-emerge as a community of opportunity and choice. NHS is revitalizing and upgrading the housing stock, providing lending and grant capital, stabilizing existing homeowners, and enabling new homeownership in Chatham.

#### Other Neighborhood Revitalization Activities:

- In partnership with the City of Chicago's Micro Market Recovery Program, NHS has inventoried the vacant 1-4-unit properties in West Humboldt and Englewood communities for re-occupation while identifying and preparing potential buyers.
- In partnership with Northwestern Hospital, NHS provided small grants to make critical repairs to homes in West Humboldt.
- Utilizing the results of the Community Impact Measurement project, NHS targeted houses needing repairs for the home repair grant program offered by the City of Chicago and administered by NHS in the Auburn Gresham neighborhood.

## Missouri

### *Beyond Housing*

- The Beyond Housing 24:1 Initiative is widely recognized as a model for comprehensive community development. The effort is focused on improving education, housing, health, job training and access, economic development, and personal finance in the 24 suburban municipalities that comprise the Normandy School District. Beyond Housing has:
  - Invested over \$60M in construction projects for housing and economic development since 2010
  - Provided over \$10M in home repair grants from 2010 through 2019
  - Invested over \$150M in the 24:1 Community since 2010
  - Raised over \$700,000 for rental and utility assistance, food, and essential supply distribution, COVID-19 testing, and small business assistance since the beginning of COVID-19 pandemic
- Beyond Housing's Pagedale Town Center development brought to the City of Pagedale a new movie theater, coffeehouse and café, retirement center, bank, financial center, healthcare facility, and grocery store (the first one in Pagedale in 40 years.) Construction of Pagedale Town Center II, a 20,000-square-foot, two-story building, is

currently underway. Occupants will include a fitness center, clothing boutique, food hall, nonprofit community kitchen, healthcare services agency, and a pub. Beyond Housing was recently awarded a Small Business Revitalization Grant to support local businesses that were impacted by the pandemic. The funds, totaling \$105,000, give three small businesses the financial ability to complete their buildouts in Pagedale Town Center II. Part of the grant will also go toward an outdoor seating area at the building.

- In Pine Lawn, Beyond Housing has constructed new rental homes, resurfaced residential streets, reconstructed and beautified a street corridor, developed a new 3.3-acre community park and playground, constructed a 53-unit senior living facility, and built new homes for homeowners. Beyond Housing is currently engaged in NeighborWorks' Shared Equity Initiative to explore community ownership/investment in local commercial properties/businesses.

## Ohio

### *NeighborWorks Toledo*

- The Cherry Street Legacy project is an award-winning low-income housing tax credit financed single-family home development that was placed in service in 2014. As part of this project, NeighborWorks Toledo Region ("NTR") built 40 energy efficient homes. Since 2015, NTR has concentrated on acquiring, redeveloping, and reselling existing homes to first time home buyers in the Cherry Legacy neighborhood.
- The Englewood neighborhood is home to five LIHTC single-family portfolios and one LIHTC multi-family senior project where NTR is currently part of the ownership structure. NTR first became involved in the Englewood neighborhood with the purchase of Oakwood Homes I and II, a pair of single-family portfolios, in 2017 and 2018 following a property tax foreclosure. At the time of purchase, only 38 of the original 80 homes remained standing, with all but 5 of the 38 occupied. With home improvement grants for buyers (\$7,500 each) from the Lucas County Land Bank, NTR sold 20 homes to first time home buyers. The remaining units are now occupied by Section 8 voucher holders. In 2017, NTR was admitted to the partnerships that owned Oakwood Homes III, IV and West Central portfolios. By the close of 2020, all three portfolios had completed their 15-year period of affordability, and the NTR Financial Opportunity Center established contact with the tenants of Oakwood Homes III, IV and West Central to help them purchase their homes.

## WESTERN REGION

### Alaska

#### *NeighborWorks Alaska*

- NeighborWorks Alaska (NWAK) has a long-term commitment to the Russian Jack neighborhood, one of NWAK's most diverse neighborhoods according to the U.S. Census. NWAK recently completed the [Community Impact Measurement](#) study in Russian Jack finding that, though public safety is a concern, residents feel empowered to make a difference in their community through volunteering and being engaged. NWAK is hosting its 15<sup>th</sup> annual Paint the Town event, a community revitalization and volunteer engagement tradition created to help low-income, senior, disabled, and veteran neighbors who face challenges maintaining their homes. The annual community event consists of painting the exterior homes of these residents. Since 2006, NWAK has painted and provided minor repairs to 160 homes with the help of businesses and community volunteers. NWAK is also supporting a Mural Walk project to build neighborhood pride and encourage local economic activity within the Mountain View neighborhood. The first mural, which will be on the exterior wall of a black-owned business, will be painted by a graffiti artist who is also an Army soldier. NWAK has also promoted food security by supporting a local garden network initiative, engaged in neighborhood beautification and clean-up projects, and spearheaded housing and infrastructure planning efforts in rural Alaska.