

Neighborhoods of Hartford

A "Healthy Neighborhoods"
Approach to Neighborhood
Reinvestment



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Presentation Objectives

- Provide Background and History
- Describe "Healthy Neighborhoods" Approach
- Explain NHI's Strategy
- Share our Successes

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Hartford's Historic Conditions

- **Population:** Declined by 50,000 people since 1950
- **Housing:** Lost over 4,000 units to abandonment
- **Property Value:** Declined by 40 percent in the 1990's
- **Homeownership Rate:** Very low – Less than 25%
- **Construction Cost:** In many cases exceed resale value
- **Housing Stock:** Aging and not being maintained
- **Investment:** Limited private investment - subsidies
- **Real Estate Market:** Weak – Can't Compete

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Mayor's Homeownership Task Force

Overarching conclusion was to:

- Shift from a housing policy that stresses housing affordability in a vacuum,
to
- A policy focused on creating the greatest impact in neighborhoods and ensuring sustainability.
- HOW? Through geographic targeting, serving a broader range of incomes, creating an infrastructure to coordinate investment and developing housing the market demands

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Three Categories of Neighborhoods

- Distressed Neighborhoods
- In Transition Neighborhoods
- Healthy Neighborhoods

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Distressed Neighborhoods

- Residents who can leave, do leave
- Non-residents shun the neighborhood
- Supply is over-abundant
- Few investments flip oriented or highly speculative
- A plethora of low-income housing
- Neighbors lose most fights against threats
- Problems linger, creating new norms
- Social and economic disinvestment
- Properties can't generate equity to leverage reinvestment

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In Transition Neighborhoods

- Resident's behaviors are not fully confident
- Residents and outsiders have a "wait & see" attitude
- Supply & demand bounce back and forth
- Real estate values rise & fall slightly
- "Urban pioneers" see it as a good "buy low" opportunity
- Neighbors win some & lose some fights against threats
- Properties show a mixed degree of care
- Properties are inconsistently invested in
- Properties can't generate equity to leverage reinvestment

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Healthy Neighborhoods

- Residents confident about neighborhood direction
- Outsiders see it as a good place to live and work
- Supply is less than demand
- Housing prices rise rates better than the regional median
- In-movers are as good or better for neighborhood as out-movers
- Little or no speculation – high entry prices
- Neighbors manage threats – problems solved quickly
- Properties continually receive investment
- Makes social & economic sense to invest in the market

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Healthy Neighborhoods Are Places Where:

- It makes economic sense for people to invest time, energy, and money
- Where neighbors can successfully manage day-to-day issues
- Where neighbors feel confident in their investment and the future of the neighborhood

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Changing Neighborhoods To Grow Demand

- Evaluating what's working and what's not working -- decisions to invest, or not and why
- Setting realistic outcomes and measures
- Choosing tactics to best achieve desired outcomes
- Strengthening capacity to deliver strategies
- Implementing strategy, adjusting as needed
- Measuring progress towards outcomes, not activities
- Developing new approaches as market improves

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Four Essential Factors For Neighborhood Reinvestment

- **Choice:** People choose where and what to buy and when and how much to invest.
- **Competition:** A neighborhood must be able to attract residents even as its competitors change every year.
- **Confidence:** Resident confidence is affirmed when neighbors investor new residents move in and invest.
- **Predictability:** New neighbors are considered good when they notice and abide by the prevailing norms.

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A Framework For Results

- **Image:** For an older neighborhood to compete, it must draw on its assets to tell a unique story...historic house, urban parks and so on.
- **Market:** All investments must reinforce the housing market. Investment in one property improves the value of all properties in the neighborhood.
- **Physical Conditions:** Outcomes measure whether the neighborhood is improving
- **Social Connections:** Prospective homeowners and residents are the most important decision makers..

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Axioms of Healthy Neighborhoods

- Every property is a billboard – Sends a message
- Investment in one property benefits all properties
- Behaviors are contagious
- Confidence proceeds investment
- Create demand where there is not
- Market adjusts for subsidies
- Build community first – then housing
- Great neighbors make great neighborhoods

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Neighborhoods of Hartford, Inc.

Who We Are

- Incorporated in April 2003
- 501(c)(3) Tax Exempt – February 2004
- Rising Star Pride Block Initiative



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Mission & Objectives

Mission:

- To build and strengthen Hartford's neighborhoods for the benefit of citizens of all economic levels.

Objectives:

- Increase home/property investment and homeownership
- Create higher standards of property improvements and maintenance
- Create higher standards of neighborliness
- Increase resident involvement in community life
- Market healthy neighborhoods
- Increase the availability of more flexible financing for home purchase and home improvements

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Strategy I. Target Investment

In Transition (or middle) Neighborhoods

- Select Blocks With Assets (social & physical)
- Diverse Housing Stock (starter homes and up)
- Higher Than City Average Homeownership
- Predominately 1, 2, & 3-Family Homes that can attract and retain homeowners
- Target Programs with Properties in need and visible

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NHI's Rising Star Pride Blocks

- **Target Investment:** Target strategies, programs, and investments into well defined and manageable areas
- **Building Community:** Create pride, confidence, and develop lasting relationships. Improve "curb appeal"
- **Create Investment:** Loan fund. Flexible dollars, low interest rates, flexible terms, and no income requirements
- **Quality Design:** All rehab, property improvements, and investments should be of high quality and add value

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Rising Star Blocks & Pride Blocks



5 Rising Star Clusters

6 – 10 Streets Per Cluster
179 – 346 Properties Per Cluster
1250 Total Properties

12 Pride Blocks

One City Block
30 Properties Per Block
400 Total Properties

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What's Working in These Neighborhoods

- Higher Homeownership Rate than the City
- Historic Architecture and Community Character
- Neighborhood Assets – Schools & Parks
- Housing Stock Lends itself to Homeownership
- Some Properties Well Maintained
- Some Resident Leaders or Community Organization

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What's Not Working in These Neighborhoods

- Stagnant or Declining Property Value
- Years of Deferred Maintenance/Investment
- Declining Housing Stock
- Low Standards of Property Maintenance
- Residents Have Little Confidence in the Future of their Neighborhoods
- Residents Loss Most Battles Against Threats
- Low Standards of Neighborliness

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Strategy II. Build Community

Neighborhood Outreach

- Organize Residents
- Promote High Standards of Neighborliness & High Standards of Property Maintenance
- "Fresh Eyes" Look at the Neighborhood
- Property Enhancement Projects "Curb Appeal"
- Community Celebrations
- Creating A Positive Image
- Neighborhood Marketing

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Resident Story - Mary

A Tale of Two Neighbors

- Block Clean-up – they Meet
- New relationship - Movies & kids
- Being there – Helping Out
- Home Investment - Loan
- Will not leave

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Resident Story – Mr. Johnson

He's Everywhere

- Tower on the Green
- Capen Street
- Ridgefield Street

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Mr. Johnson – Around Town



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Strategy III. Create Investment

- Build Confidence
- Provide Flexible Financing
- Encourage & Promote Rehab
- Increase Capacity

Home Improvement Loan Fund

Target Improvements

- Exterior Improvements that improve appearance & add value
- Interior Improvements: that eliminate deficiencies
- Interior Improvements: that Add Value
- Properties in need
- Highly visible properties

West Preston Loan



More Loans - Investment



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Private Investment



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Strategy IV: Offer High Quality Design

Neighborhood Design Center and Services

- Assist with Community Projects & Curb Appeal
- Loan/Rehab Applicants – specs, bids, inspections
- Property Design Services – design and specs
- Real Estate Property Market-Write-ups
- Design Education
- Community Design & Planning Services

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Design & Education



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IS NHI Succeeding in Creating Healthy Hartford Neighborhoods?

Are We Creating Places Where:

- It makes economic sense for people to invest time, energy, and money?
- Where neighbors have the capacity to successfully manage the day-to-day issues in the neighborhood?
- Where neighbors feel confident in their investment and the future of the neighborhood?"

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We Think So!

Our Healthy Neighborhoods program enhances and adds value to:

- Downtown housing development
- CDC affordable housing developments in distressed neighborhoods
- Middle neighborhoods and homeowners who are not serviced by existing programs
- The quality of life in Hartford as a whole

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NHI's Specific 2004 - 2006 Outputs

- Held over 300 community meetings
- Completed more than 110 resident-led events
- More than 1,200 residents participated in neighborhood events
- Over 900 homes participated in improvement projects
- \$700,000 in CDBG funds invested in the neighborhoods
- \$300,000 invested in community programs and projects
- Loans Closed: 2004 = 2; 2005 = 7; 2006 will exceed 20

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NHI's Image Outcomes

- Property maintenance & appearance improving
- People outside target areas notice changes
- People outside ask how they can become pride blocks
- Neighbors feel confident about their neighborhoods
- Neighbors taking on property maintenance projects on their own without our assistance
- Properties and blocks send positive message to the market

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NHI's Market Outcomes

- Property values have stopped decline, and are rising
- Properties selling above the city median sales price
- Some properties selling at or above asking price
- Average days on the market is below 60 days
- Once blighted or poorly maintained properties have been improved, most without subsidies
- Considerable private investment in maintenance/rehab
- No loss of owner-occupied units to investors – have gained owner-occupied units

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NHI's Physical Conditions Outcomes

- Property maintenance is improving
- Blighted or negative conditions have decreased
- Public infrastructure is improving
- Housing stock is better maintained
- "Curb Appeal" of blocks has improved

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NHI's Neighborhood Management Outcomes

- Civic and community engagement has significantly increased
- Many more residents know their neighbors
- Strong neighborly relationships
- Neighbors are proactive, not reactive
- Significant decrease in complaints about neighborhoods
- Resident relationships across neighborhoods

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Pictures Tell The Story of Our Successes Best

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Residents Holding Community Meetings



Engage residents on West Preston Street meet to plan projects and developing strategies to manage change.

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Property Improvements & Maintenance



- Block Clean Ups
- Decorative Lights
- Front Steep Repairs
- Lawn Care & Maintenance
- Landscaping Gardens
- Fence, Stump, & Blight Removal
- Decorative Street Signs
- Tree Plantings
- Porch & Trim Painting
- Sidewalk Repairs
- Community Celebrations

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Residents Taking Control



Residents creating change -- working together to clean up a vacant lot at the gateway to the neighborhood. Residents.

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Residents Displaying Pride



This Capen Street Habitat Home displays an NHI Pride House sign after NHI assisted with landscaping as part of a NHI Capen Street Pride Day.

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Community Pride



Capen Street residents relax under an NHI seasonal flag provided to every home on the street. They have finished a morning of hard work planting flowers and bushes, distributing pumpkins, and hanging flags.

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Curb Appeal



A newly landscaped and well maintained property in the Tower on the Green Rising Star Cluster.

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Tremont Street – Retaining Wall



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Residents Improving Properties



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Neighbors Helping Neighbors



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Block Party - Kids & Community



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Neighbors & Community



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Rewarding Resident Leadership



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Creating Identity – Improving Image



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Healthy Neighborhoods

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