***\ University of Michigan – Ann Arbor***

***Course 647 – Dr. Gant***

**The Housing and Urban Development Neighborhood Stabilization Program**

**Applied to the Grandmont Rosedale Neighborhoods of Detroit**

**As a Socially Just Policy**

*Lisa Danovich, ASID*

*April 1, 2011*

**I. *Stabilization in a Detroit, Michigan Neighborhood***

The Grandmont Rosedale Neighborhoods in Detroit are a group of five adjacent neighborhoods on the northwest side, an approximate fifteen-minute drive to the city center. These historic neighborhoods, with mature landscaping and tree-lined streets have some of the most prestigious brick housing stock in the city. The neighborhoods were originally developed in the 1920’s to 1930’s with custom and craftsmen-built larger single-family homes for the upper middle socio-economic class of business and professional white families. The outlying neighborhoods in this family of five neighborhoods have smaller homes built after WWII, yet geographically are deemed part of the larger group, based on the school system and adjacency. Originally, real estate deed restrictions specifically denied access to persons of “Ethiopian” background, which referred to all people of African American racial ethnicity. These type of restrictions were typical of the racially segregated urban neighborhoods of early twentieth century America.

After the Detroit race riots following Martin Luther King’s assassination in 1968, new federal housing policy legislation (Title 42, chapter 45, subchapter I, 3604- Fair Housing) banned homeownership discrimination expressly based on racial origin. Other anti-discrimination laws were passed as a result of Supreme Court orders (Brown v. Board of Education in 1951 and Swann v. Charlotte-Mecklenburg Board of Education in 1971) and school children from poor African American neighborhoods were bussed to schools in the more affluent white neighborhoods. These actions instigated a transitional period in Detroit during the following decade.

During this time as African American families began to migrate into all-white neighborhoods, many white families in their segregated neighborhoods moved out of Detroit, and into the surrounding suburbs, in order to remain in segregated white neighborhoods in suburbia. Race rioting in Detroit by African American protesters demanding civil rights also fostered fear for white families during this time. This was true in the Grandmont Rosedale neighborhoods. Housing prices dropped in Detroit neighborhoods. Affluent black families moved into the “better” neighborhoods, including Grandmont Rosedale, which then became racially mixed.

Soon concerns arose regarding the “tipping point” or the correct racial quotient between black and white residents that would maintain the perception of value, and thus, maintain the high property value and status of the neighborhoods. Some of the new, affluent black residents became equally concerned regarding whether to remain in the Grandmont Rosedale neighborhood as more African American families migrated here. Retention of the value of their real estate asset was based on the perceived, and perhaps, real issues regarding racial, economic and educational level of the new resident mix. The Grandmont Rosedale Neighborhoods transitioned from 100% white in the early 1960’s to predominately black (89.7% according to the 2000 US census).

Until the economic crisis of 2006, due in part to Wall Street manipulations in the housing and mortgage industries, the Grandmont Rosedale neighborhoods were stable and flourishing, albeit with the new racial balance. The City of Detroit has a 16% foreclosure rate, more than twice that of the State of Michigan, and among the highest of the nation’s 100 largest Metropolitan areas, (U. S. HUD, 2009). The economic crisis in Michigan and in Detroit with business and automobile industry closures has led to neighborhood instability due to home foreclosures. As unemployment increases, so has crime driven by hopelessness and survival for persons living in blighted communities. This crime has encroached along with foreclosures into the Grandmont Rosedale neighborhoods. The quality of the schools in these neighborhoods has also seen a decrease in rankings. One school is closing as a result of low rates of educational accountability leaving many children unfulfilled with their daily scholastic activities. Educational funding has decreased in Michigan and Detroit over the past decade, as has the tax base.

*Grandmont Rosedale GRDC – A Non-Profit Neighborhood CDC*

The Grandmont Rosedale neighborhoods have many active community groups and activities. GRDC, a neighborhood non-profit organization founded by neighborhood residents who represent the board and most of their employees, has been awarded multiple times for their best practices projects, including, residential and business property improvement loans and grants, playground renovations and developments, new housing, business district street corridor and streetscape improvements, security board-ups and maintenance, neighborhood block security, a farmer’s market and more. The members of the neighborhoods volunteer to assist in many of these programs. The foreclosure prevention programs and other resources are often presented and offered to residents through allied agencies. Past Governor Jennifer Grandholm has designated these neighborhoods as “Cool Cities” and awarded GRDC for its work with Michigan’s “Cool Cities” award in 2006.

The GRDC foreclosure resale program that has been funded through the Ford and Kresge Foundations, and via HUD block grants for the NSP program (Neighborhood Stabilization Program), which is a part of the TITLE IV, HOPE VI Program Reauthorization and Small Community Main-street Rejuvenation and Housing Act of 2003. This has allowed GRDC to step up their program of purchasing foreclosed homes, renovating, weatherizing and marketing them to lower and middle-income buyers. Over the next five years 350 foreclosed homes will be repopulated with families (leaving a remaining 5% vacancy). Some potential homebuyers may be eligible for these purchasing programs that combine with federal loan programs that feature low loan interest, fees and down payments.

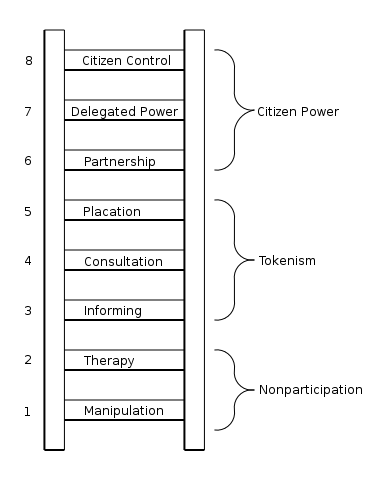
*Community Well Being*

Community well being is “the combination of social, economic, environmental, cultural and political conditions identified by individuals and their communities as essential for them to flourish and fulfill their potential. (*Journal of Public Health Policy (2008)* Vol. 29, No 3, pg 358, “Community Wellbeing in an Unwell World: Trends, Challenges, and Possibilities” John Wiseman and Kathleen Brasher). Having “more eyes on the street” (Jane Jacobs-*The Death and Life of Great American Cities* - 1961) fosters safety and community life.

According to Jacobs, as residents in a neighborhood have convenient and practical access to the streets that they live on because of many factors, like narrow store fronts with windows, front door access with a porch or yard space that permits activities while watching children play, for example, from inside the homes. Wide sidewalks, trees, slow-moving traffic– if not solely pedestrian streets with bulwarks and other build-outs to slow traffic, increases neighborhood safety as well as other benefits. Business activities taking place throughout the day and late into the night encourages an active street life, which studies have shown will increase safety over streets that are desolate, and where crime activities may more easily take place without witnesses or interventions. Civic participation through zoning practices, policing, citywide events and festivals, all done with a “bottom-up” responsiveness to the community’s resident’s directive, based on their needs and desires, enhances community well being.

*Privilege, Oppression, Discrimination and Social Justice Issues Faced By Homebuyers*

Privileged residents of European background and higher socio-economic status, who as a group participated in oppression and discrimination via deed restrictions and, it is assumed, by the general attitudes that were normalized in society by the upper socio-economic groups over the past decades, once exclusively owned homes in this neighborhood. To have a diverse and predominantly African American membership is a kind of restitution. But, perhaps it will not be so, if the neighborhood fails. Many stakeholders are attempting to preserve their neighborhoods by making them safe, of economic value and filled with community relationships.

******

***Arnstein’s Ladder of Participation***

Type of resident participation

Arnstein’s Ladder of Participation is a theoretical model, which suggests that the highest level of citizen participation and power occurs when historically oppressed people, directly affected by the policies created, hold most of the decision-making positions. By using three assessment tools it was discerned that because the staff and board members at GRDC are neighborhood residents, the level of resident participation in marketing the neighborhood for the stabilization project is represented by the highest rungs of the ladder — in the Citizen Power category.

Social cohesion is an element associated with community wellbeing for the residents of the Grandmont Rosedale neighborhoods, as is evident with the proliferation and membership of the community organizations and groups throughout these neighborhoods. In addition, state and city government support via block grants and responsive policing allow for some stability that is evident in these neighborhoods– even with the increased pressures due to economic hardships in the area.

Typically, thieves will strip vacant homes of basic features, including copper plumbing lines and other basic elements, making them inhabitable. Vacant homes soon become blighted homes in blighted neighborhoods. GRDC’s stabilization program includes neighborhood block captain security patrols; vacant home board-ups, lawn maintenance and preparing foreclosed homes to be re-marketed at economically adjusted prices. Many residents are participant volunteers in these programs and take responsibility for making their neighborhoods safe and thus, contributing to the success of these programs

**II.*****Policy Outcomes and Rationale***

Detroit is a city requiring re-stabilization because of the many problems the city has faced over the past decades and recently exacerbated with the latest economic troubles – locally and globally. Many neighborhoods throughout the city are blighted and dangerous. Detroit’s population has decreased, and because of the exceptional square footage (Detroit has the equivalent geographic territory as San Francisco and Manhattan combined) the tax based required to operate city services is relatively greater too. Yet the tax base has evaporated with factory and business closures. Detroit’s Mayor Bing’s major policy mandate is focusing on the revitalization of Detroit through a special planning commission, the city planning department and neighborhood information meetings in order to make a new comprehensive plan based on a new vision for a smaller Detroit with a new economy oriented to a variety of businesses instead of one industry, and differing use of land. Detroit will be re-zoned, under a guise of community participation and empowerment.

Certain neighborhoods will be revitalized. Others will be eliminated and transformed into other uses under discussion, such as urban farms, parks and naturalization corridors. City services cannot maintain the old Detroit footprint with the dismantled tax base. Because of the unusual assets of the Grandmont Rosedale neighborhoods, like the intact and prestigious building stock and it’s park-like setting, as well as the involved community itself, it seems logical to protect this neighborhood from disintegration by the protective measures described.

*Literature Review – Theory and Rationale*

Margaret Dewar. Writes in “Selling Tax-Reverted Land” in the American Planning Association Journal of the American Planning Association, 72(2), 167-180 (2006) and retrieved February 12, 2011, from ABI/INFORM Global. (Document ID: 1039289891) that selling vacant property requires the ability to clear title and process a sale quickly so that the vacant property does not disintegrated for lack of maintenance, or vandalism, or fire and theft. In order to renovate 350 homes in five years, financing requirements rely on selling homes as they are renovated in order to continue the purchase/renovate/sell process to all vacant homes. Quickly (five years) repopulating 350 homes will stave off crime due to vacant homes targeted for illegal activity.

*Privilege, Oppression, Discrimination and Social Justice*

From a PODS perspective, the success of this neighborhood as it transitioned from a privileged white neighborhood of choice to a diverse and mixed neighborhood, currently predominantly black, for these residents, social justice in regard to homeownership accessibility has been addressed for this oppressed and discriminated racial group. The principal of empowerment mandates support of formerly oppressed groups toward the achievement of equity and justice. Within these racially mixed and highly socially active neighborhoods, cohesion is in jeopardy, as the home foreclosure crisis continues, and unemployment soars. Social justice is achieved by many of the oppressed by having access to a prestigious and safe neighborhood that exemplifies community wellbeing and empowerment. Social justice will be upheld in this neighborhood if it survives these challenges.

*Social Justice – Positivist and Post-Positivist*

The intent of the resale of the 350 foreclosed homes is to enhance the positivist or social wellbeing of the community. The mixture of two social justice policy models: Marxist and Market is reflected in this program. The market social justice model is based on supply and demand- capitalistic principles. Obtaining and preserving a valued asset such as real estate property helps individuals to stabilize their personal economic security. The marketplace has devalued home values, which has led to home losses, asset devaluation and the opportunity to purchase homes at a relatively low cost- if one can qualify for loans or has other assets to make a purchase.

The market capitalist value system is still in play as residential real estate is seen as a commodity for trade and wealth accruement, and not as a human right for basic security in the United States. However, with the federal programs funded by taxpayers, a limited redistribution of wealth is implemented, at least, within these programs, for those who can qualify. Thus, the Marxist theory reflects the sentiment of “each according to ability and each to need” (Iatrisis 1994) and also as a social justice perspective that is enacted as a result of homebuyer assistance programs mixed with the neighborhood stabilization program. While the housing need is universal, only those with more or less “ability and qualifications” can fit into the federal programs or general banking system loan programs to purchase a home. Many poor persons still struggle in their ability to access decent housing.

*Neighborhoods of Choice*

Urban activist, Jane Jacobs, writes In her book, *The* *Death and Life of Great American Cities, 1961*, of neighborhoods of choice which are defined by street life and activity on the sidewalks and of, course, compactness without stretches without life. Vacant homes are the antithesis of life, and this type of blight kills community cohesion. As renovated homes are sold to new families more blighted homes will be renovated quickly, attempting to cure symptoms of the undesirable neighborhood from becoming entrenched. Much of the Grandmont Rosedale neighborhoods are residential. However there is a business strip running through the center of the neighborhoods. In the recent past, studies have been done and plans have been created to turn this main business strip into a walkable business district in keeping the ideas represented by Jacobs. Although streetscape and business façade improvements were accomplished, the Michigan Department of transportation would not permit changes to the road width, allowing for a central boulevard or speed limit changes. The street is a designated highway thoroughfare, and it splits the neighborhoods. Residents were not able to overcome the dictates of government agencies regarding the business district street highway status.

A Post-Positivist approach, which would measure community participation in GRDC’s Neighborhood Stabilization plan (that includes the sales of renovated foreclosed homes) would look to involve community participation in decision-making and activities wherever possible. Should the communities’ residents have citizen power in shaping and carrying out this program, community empowerment will increase community well being (Positivist). With the Neighborhood Ambassador program in which residents help form the key marketing messages in promotion of the neighborhood, participate as boosters, and are the GRDC employees that facilitate the programs, both positivist and post-positivist operationalization occurs.

*Oppression and Discrimination*

The Neighborhood Stabilization Program directly rebalances past economic inequities and brings social justice for some (new homeowners), and as well, indirectly bringing equity and rebalancing social injustice for the many (existing home asset owners). The Grandmont Rosedale neighborhoods’ success could be a community model of harmonious social and racial integration, and asset development in the achievement of mild affluence, creating economic security for all of Detroit and beyond.

Another perspective to consider is that even though the neighborhood is predominately African American and still holds status in Detroit, the real estate values have plummeted with the racial reversal overall. This may suggest that discrimination is very much still at play with the perception of market value.

*Privilege and Social Justice*

Privilege in these neighborhoods is mostly based on economic status and not race, as in the past decades. Those that are employed and can qualify for conventional or program assistance loans have the advantage over those who have suffered the abuses of poverty, discrimination and oppression. The cycle of this type of poverty is not merely financial, but has a downward affect upon the physical, mental and spiritual health of the unfortunates. Access to many attributes within a family, their home, schools and general community that conspire to foment educational competency, and even excellence, are not available for many, and this pattern often repeats itself from generation onward. In following the Fairness and Marxist principles, intervention would take place on behalf of the under-privileged to ameliorate their circumstances and break any cycle of poverty, educational failings and missed opportunities.

**III.*****Policy Implementation***

The stabilization of the neighborhood will affect 5700 residents and 400 businesses who will see reduced crime, strengthened community cohesion, and stabilized property values. The wider circle of Detroit citizens will see a strong neighborhood that may act as a model for other struggling neighborhoods, in which adaption of strategies may be beneficial for increased community well being. Over five years, 350 new homeowners will benefit directly. Homes can be purchased using the normal banking loan structures, or if a homebuyer’s income fits within federal loan program models, advantageous loans may be utilized. This opens up the marketplace to those who may not be eligible for conventional bank loans.

Non-profit organizations have been assigned funding to allocate and **administer the loan programs** funded by the federal government. Usually the non-profit funding foundations organizations provide grants to non-profit organizations to disperse. It is the funding foundations that receive the block grants from the federal government. A chain of associations is in place for funding allocation to occur for the homeowner. Grant-proposals are directed to the funding foundations by the local non-profits (like GRDC) in order to win funding in this Neighborhood Stabilization Program for the purchase and renovation of 350 residences for resale.

**The Home-Staging Program** envisioned will require donations of trendy and fashionable furnishings for some of the public rooms, in perhaps two homes at a time – rotating and rearranging the furnishings throughout the renovated and repaired homes, as the sales process is completed. An intern from the interior design profession was engaged to formulate and manage the program and to set up guidelines allowing others to take over the program following the internship’s closure. As well, interior design services will be engaged through the intern for this purpose.

This same intern is to create a Volunteer Docent Program renamed the **Neighborhood** **Ambassador Program** in which boosters relate key marketing messages to encourage not only home sales, but also attract new organizational members and community involvement from the new homebuyers. The neighborhood is unusual in its existing social cohesion with the number and range of activities offered throughout the community. This social cohesion is valued by the neighborhood residents and seen as key marketing information to present to potential new neighbors. The presumption is that new residents will be attracted to the neighborhood because of these expressed shared values, and will be more likely to purchase one of the 350 homes in order to live in this community, which further expands the social cohesion within the neighborhoods.

There could be an opposite reaction with this marketing strategy for those who do not value, nor share interest in community activity, which may discourage their interest in purchasing a home. However, there could also be a middle ground in perception. While a potential homebuyer may not themselves be interested in community participation, they may see value in the potential security and asset valuation in having motivated neighbors who do value the “neighborliness” of active community life involvement. Constructing the method of the program and the messages for the volunteer docents will require meetings and research in order to develop the agreed upon messages and methodology for implementation.

***Force Field Analysis***

This evaluation assessment tool is useful when comparing oppositional forces that may affect the success of a program. By weighting the attributes, a likeliness of probability can be measured. Each force is given a score, based on the strength of the force. Scores range from weak (1) to strong (5).

**Force Field Analysis**

Each force is given a score, based on the strength of the force. Scores range from weak (1) to strong (5).

***Forces against Home Sales***

***Forces for Home sales***

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| MLS Listing and RE Agent | 5 |  |  |  | 5 | Detroit Economic Reality |
| Foundation and Gov funding | 5 |  | **Marketing:** Strategies to Sell Foreclosed Homes  ***Decision-Makers:***  Executive Staff  Board of Directors |  | 2 | Limited Use of Ambassadors |
| Renovation Program | 5 |  |  | 1 | Staging Program Tenuous |
| Homebuyer Assistance Programs | 5 |  |  | 1 | Intern management leaving |
| GRDC Data Bank Marketing  E-blast & newsletter | 3 |  |  | 2 | No Outreach to Gender Group Communities |
| Staging Program | 4 |  |  | 2 | No Outreach to Ethnic Community |
| May Day Open House | 2 |  |  | 2 | No outreach to Religious Groups |
| Volunteer Ambassadors | 2 |  |  | 2 | No Outreach Outside of Neighborhood to Suburbs |
| Executive and Board- Directed Neighborhood Branding | 5 |  |  | 3 | Neighborhood Branding Goes Wrong |
| **Total** | **33** |  |  |  | **20** | **Total** |
|  |  |  |  |  |  |  |

Forces are weighted. The results reveal that positive forces outweigh the negative factors that encourage home sales. The weights were devised based on perceptions from interviews and literature research.

*Forces Targeted for Modification*

The following strategies are likely to reduce the strength of restraining forces by at least 13 points and improve the probability of success:

* Expand marketing outreach to include other communities and neighborhoods, inside and outside of Detroit – in an attempt to reverse flight and increase interest within.
* Expand marketing to non-traditional resources like gender, ethnic and religious groups to promote true diversity in assuring a welcoming message.
* Expand the Ambassador Program after the May Day Open House in outreach to these other groups.
* Secure Staging Furnishings.

***F Forces Against Home Sales***

**IV.*****Policy Evaluation***

The program is in its initial phase. Ten foreclosed homes have been purchased. The first home has been sold after its renovation. Five renovated homes have been put on the market. A renovation manager and a home buying manager have been hired by GRDC. An intern has been “hired” to develop and initiate a home staging and a volunteer docent program. The initial vendors and contractors and other participants are participating in the renovation process. All legal matters have been exercised completing the first home sale as a model method. The project manager intends to create a project blueprint that can be reused with appropriate modifications for each property in order to streamline the process. It will be necessary to complete 100 homes per year, or 8.3 homes per month. By repopulation 350 vacant homes, only 5% of the neighborhood homes will be vacant after five years.

Whenever possible, vendor and trade contracts have been given to local businesses and contractors, and representing the existing ethnic diversity in order to strengthen the neighborhood economy. Following federal non-discrimination laws, racial oppression and discrimination is eliminated and social justice principles are in play.

GRDC implements the program and annually reports to their funding institutions for following year continuation of financial allocations. As loan applicants become eligible for loan programs their paperwork is forwarded by GRDC to the federal agencies to be funded directly via the federal government.

Factors affecting implementation revolve around the “speed-up” of the process to accommodate this ambitious project, enacted with a small team of employees and an intern. One barrier occurred that would eliminate some potential lower income buyers (120% income and over to only 80% income of median margins eligible to attractive loan programs) from purchasing the larger homes. A Detroit Revitalization program was to include the Grandmont Rosedale neighborhoods in their targeted areas for stabilization. However, at the last minute, prior to announcement, the GRDC neighborhoods were unexpectedly dropped from the subsidized group. Then, a week later it was announced that a very small portion of one of the GRDC neighborhoods was to be included, after all. It is desired by GRDC that the full five neighborhoods will eventually be included into Detroit’s targeted areas for inclusion into this additional stabilization and loan eligibility programs.

At this time, there are no discrepancies between GRDC’s stated mission and goals and the process toward achieving those goals. However, the neighborhoods stabilization through the foreclosed home renovation and resale program is still in its opening phase. Monitoring the process will be an effective measure for assessment and program modification as might be desired.

**V.*****Policy Revisions***

The GRDC may find that by continuing to network with the stakeholders in Mayor Bing’s Detroit’s Revitalization projects, Detroit Works and Group of 55, that the Grandmont Rosedale neighborhood may become included into more home buying assistance programs. Explanations for exclusion were confused and brief. There is some indication that Grandmont Rosedale’s numbers did qualify the neighborhood for inclusion of the program, but it may have been a perceptual issue (past privilege to current privilege) and internal city politics that eliminated the neighborhoods from this program that would have offered more buying power to potential home purchasers. Therefore networking, political awareness and vigilance will become ever more necessary.

**VI.*****Proposed Implementation Plan for Revised Policy***

In order to stay abreast of current laws and programs funded nationally, by the state and city, diligence and legwork are both required. Legwork revolves around networking and building relationships. GRDC has celebrated 21 years of success. The executive leadership is well known and admired in the community. Cultural Competence will require those in leadership to acknowledge that some incorrect perceptions of privilege in Grandmont Rosedale neighborhoods may still linger. While residents might enjoy this status, it can also work to counter stabilization efforts and competition for funding based on a perception that inclusion is neither required for Detroit’s overall stabilization, nor strategic, over the inclusion of other struggling or failed competing neighborhood communities. Sharing the data regarding the high numbers of vacant homes and surrounding crime rates with all the stakeholders, while it may discourage some homebuyers, it may also strengthen citywide ties and acknowledgement of the Grandmont Rosedale neighborhood’s rightful inclusion into the city of Detroit’s Revitalization programs.

*Reaching Homebuyers – Who Are They?*

GRDC wishes to repopulate the neighborhoods in order to maintain property values and community cohesion. Vacant homes reduce property values and encourage crime. GRDC is a nondiscriminatory non-profit and encourages diversity. Therefore, it is presumed that an inclusive marketing campaign would be generated. Existing marketing structures that are in place will be used. This outreach reaches a predominantly African-American population as already exists in the neighborhoods. Other non-traditional marketing resources might be courted and enlisted both within and outside the neighborhoods, and into the greater Metro Detroit communities. Outreach into many types of racial and ethnic community groups including those typically oppressed will promote diversity. As long as homebuyers are eligible for loans and are law-abiding citizens, all persons should be targeted. Current community members may or may not see the value in reaching out to establish more diverse community membership.

**VII.*****Proposed Policy Revisions and Implementation to Increase Community Participation***

*Collaborating with other settings*

Non-traditional settings might be contacted to expand advertising and outreach. Promoting the newly branded neighborhoods and advertising the value and values practiced within theses neighborhoods by inviting members of the various groups to consider purchasing homes and resettling in Grandmont-Rosedale with flyers and ads within the group’s newsletters and bulletins, ambassador visits to meeting to present the neighborhoods and the purchasing opportunities are strategies for outreach. Churches, gender and ethnic group hangouts, social clubs, groceries, hairdressers and barber shops, other non-profits like YMCA’s or health clubs and restaurants could be approached. Likewise, grander scale marketing with local television and news broadcasts, and marketing campaigns at the local Farmer’s Market. The possibility of promotional material in foreign languages might be instituted.

*Developing trust & respect, addressing mistrust*

Developing trust within the African American and other historically oppressed ethnic or racial groups within this neighborhood might begin with empowerment of the existing residents through decision-making about which values will be represented and “branded” into the marketing campaign, as well as opening up the promotion to a wider range of diversity than currently exists in the neighborhoods. In a board meeting in which the marketing consultants presented a draft of their key finding and recommendations, many African American resident board members objected to the use of the word “historic” as a word that represents positive values in the marketing brochure. “Historically” the physical aspects of the neighborhood were positive. Using the word “historically” could also be “code” that still carries today impressions of exclusionary, discriminating and racist practices for some. This is clearly a misrepresentation of the neighborhoods today. Developing trust may mean being tested by oppressed groups before a positive reputation can be earned.

*Engagement Model Addressing Social Justice*

A valuable community process event occurred that the author has witnessed during the board meeting, which is made up of neighborhood association leaders and other neighborhood residents. GRDC hired a marketing consulting firm who presented the key values to be promoted in a marketing campaign, based on community research of many neighborhood stakeholders as the basis for their recommendations. They presented their recommendations and accepted feedback from which to modify and enhance the intended culturally competent marketing message. Marketing via sending inclusive messages to other oppressed groups, not already obviously represented in the neighborhood, could make homebuyer outreach more expansive, and prevent unintended barriers of membership and inclusion.

*Addressing Social Justice Issues and Other Conflict*

By using symbolic logos in doorway entrance windows reflecting an array of oppressed groups, a non-verbal message of welcome is extended to potential homebuyers. An example is placing a small rainbow flag on display to welcome authenticity for persons of non-bilateral gender description to community membership. It is likely that some residents of our neighborhoods are gay, but perhaps do not feel they can freely express themselves. This may be true of individuals from other oppressed groups. Currently there is a dominance of African-Americans in the community. The community is not very diverse. GRDC could reach out to other ethnic communities via advertising in their newspapers and organizational newsletters.

**VII**. ***Policy Recommendation for Evaluation Strategy***

GRDC’s marketing plan is on solid footing for success. However, monitoring the process and making adjustments will be important as the strategies are being tested for effectiveness. For greater reach to prospective homebuyers, marketing to other population groups in the surrounding communities, and making use of their non-traditional settings, will increase exposure and knowledge regarding the desirability of the GRDC neighborhoods and may then attract more homebuyers.

The stabilization Program is essentially discussed as a 5-year program of selling 450 foreclosed homes over that time period. For expediency, GRDC modified this plan to 350 homes over a shorter time period. In order to evaluate the frequency and number of homes cycling through the process leading to the new residents’ home-ownership, an annual evaluation might occur. That way, the financial investments can be checked and controlled as well as the crime rates and resident participation.

There may be new roles for the Neighborhood Ambassadors and continuing outreach to traditional and non-traditional settings to promote the neighborhood and make contact with a wider range and diversity of individuals that may be easily enticed into becoming residents because of shared values, and ability to fit into the various loan programs for low and middle income persons. In order to quickly sell homes to fill vacancies, the need to reach outside of the neighborhood to find buyers will be important.

*Evaluation*

An annual evaluation to discern the speed of the process cycle and reset or repeat activities based on the results should be considered. Likewise, there will come a day when the program has ultimately succeeded and there are no longer any vacant or foreclosed homes in the neighborhood.

Ultimately, tracking the number of homes sold will suggest the success of the marketing program. Other measures for evaluation aside form the number of home sales can be: the length of time on the market, the profit margins on sold property (instead of price reduction to guarantee a sale), the diversity of homebuyers and homebuyer adaption to the community (volunteering or membership in community activities and organizations). By necessity, evaluation will be an on-going process of collecting and tracking sales information and reporting annually to the funding foundations as well as internally for budgeting and fiscal management considerations.

***References***

***Assessment Tools***

*Rich Map Illustration regarding GRDC’s Homebuyer Marketing Program*

The following ***Rich Map*** is an assessment tool, which not only identifies stakeholders, resources exchanged, but their concerns or values regarding GRDC’s Neighborhood Stabilization Program, and gets at the root of the concerns, and the structural deficiencies that may need addressing.

Stakeholders and How They Participate

\* ***Neighborhood (rose) Residents, Businesses, Organizations***

The results of this rich map show that show that participating Community members have a role in attracting new homebuyers/neighbors and some influence over decisions made that affect them. The docent or ambassador program will enlist neighborhood volunteers to act as ambassadors and home docents at the foreclosed and renovated homes for sale at special open houses. The ambassadors with share with potential homebuyers the shared highlights of the neighborhood and community values. Docent/ambassador “briefings” will be led by the ambassador program director (intern) in which discussions are planned about key messages and information to be promoted. Many neighbors will also be local business owners and members of neighborhood community groups and associations.

***\*Funders (green) Ford and Kresge Foundation, City of Detroit NSP3 Program***

The funder’s are looking for deserving groups that are acting out pieces of the ideology of their missions. Both Ford and Kresge Foundations have provided funding for the purchasing and renovation of foreclosed homes. The City of Detroit has multiple streams of participation with GRDC’s stabilization program, such as providing funding for home purchasing loans through block grants, NSP3 Program inclusion and offering membership to GRDC’s executive leadership in the Mayor’s Group of 55.

**\* GRDC (peach) Staff, Board, Project Managers**

GRDC’s role is to attract funds necessary for taking on this project. They identify, create, and seek funds, and manage the programs on behalf of the residents of the neighborhoods, and with their volunteer assistance.

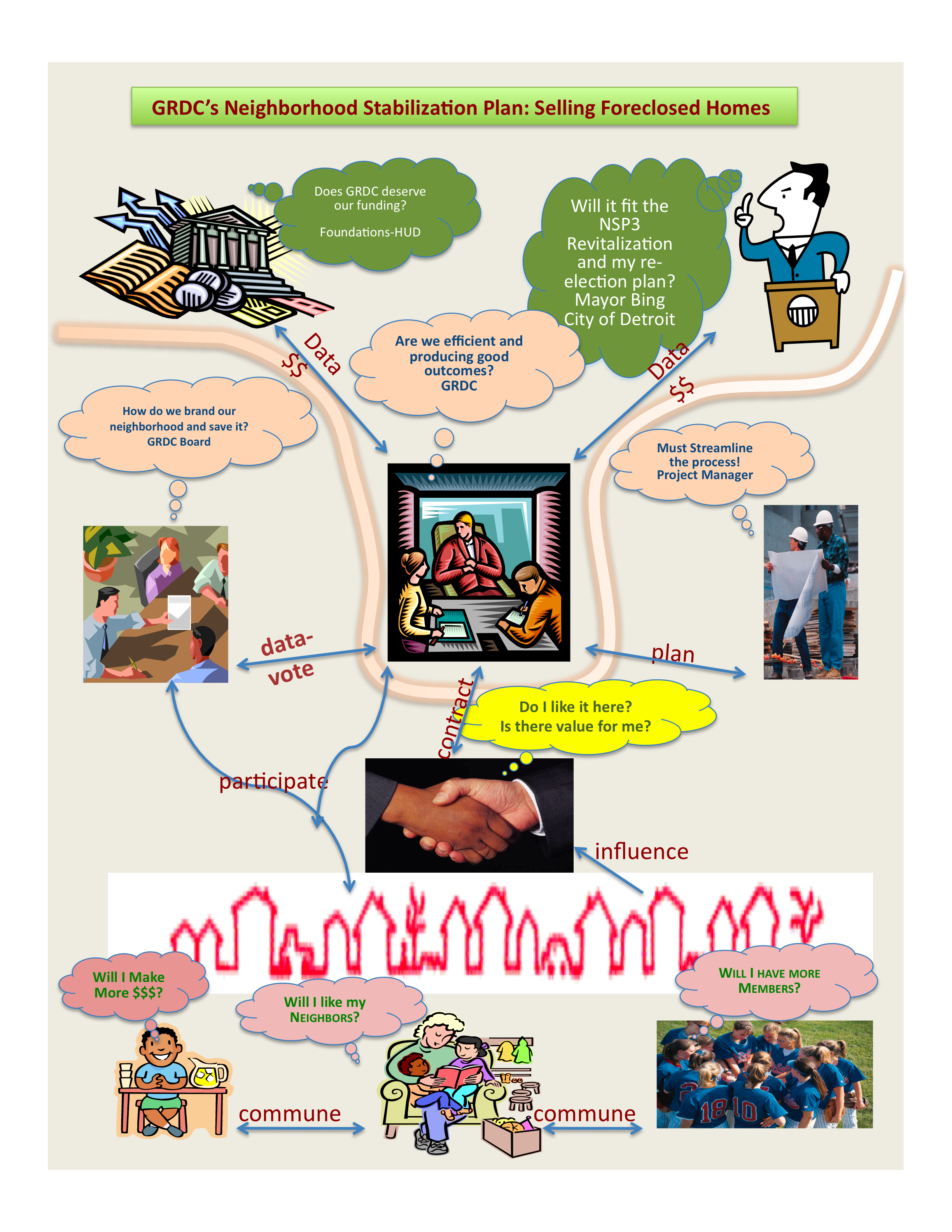
GRDC is the non-profit organization founded by neighbors to fund and organize activities and improvements chosen by the neighborhood members through board empowerment and fund-getting by staff members. Targeted programs are created and managed by staff members for the neighborhood, such as a Farmer’s Market, streetscape and business façade improvements, and playground, park and sports field improvements.

*Stakeholder Interviews*

Some of the stakeholders were casually interviewed, like the staff members that were also residents. Information about the foundation funders was wrought through internal documents and discussions with management, and observation while on attendance at meetings on site. Neighborhood residents were contacted during literature and neighborhood history research.

*Justification for Impact on Stakeholders*

By transforming a vacant home into a lived-in home, the neighborhood becomes a safer environment, the tax base increases and community well being in general improves.

******

***Strengths, Resources, Needs and Weaknesses of Marketing Strategies for Homebuyers***

**A SWOT analysis** was undertaken to examine the strengths and weaknesses of the current policy for neighborhood stabilization. It became apparent that although community participation was very strong using traditional marketing resources, diversity was not very present. Likewise, non-traditional resources were not utilized in the policy operationalization.

***SWOT Analysis – Attracting Homebuyers***

Strengths, Weaknesses, Opportunities and Threats of the marketing strategies to attract homebuyers were analyzed and are represented in the chart.Strategies include:

**Traditional Settings**

\* Real Estate Agent and MLS listing

\* Lock box showings

**Non-Traditional Settings- (GRDC only)**

- GRDC Annual Neighborhood Open House May Day Kick-off

- GRDC Monthly newsletter

- GRDC Weekly E-blast

- Word of Mouth through board members representing Neighborhood Organizations

- Word of mouth through GRDC staff as residents.

As displayed in the SWOT analysis, barriers to attracting new homebuyers are the quality of public schools, perception to safety and economic value, and general desire for living in Detroit with its devalued reputation, along with questions involving full diversity and acceptance. Non-traditional resources, such as marketing through churches, barbershops, schools or other neighborhoods within the city and outlying areas of Detroit, and to other ethnic and gender group organizations, is not included in GRDC’s marketing plan.

Barriers are the **weaknesses** and **threats** to successful implementation. If any barriers can be eliminated or reduced, than the strengths and opportunities will naturally out-weigh the deficits and presumable more homebuyers will be attracted to the neighborhood.

Many **strengths** and **opportunities** are offered to offset the weaknesses in the current policy implementation. By bringing into focus multiple marketing streams and valuing the creation of a truly diverse neighborhood, the sales of foreclosed properties may continue without financial or community risk, if very successful. Therefore there are multiple advantages to casting a wider net in attracting new residents from a wider circle of diversity.

|  |  |
| --- | --- |
| **Strengths**   * Traditional Sales Method With Agent * E-blast/newsletter to Large Databank * Community-Based and Community Responsive * Physically Beautiful Neighborhoods – Parks and Playing Fields * Many Neighborhood Activities * Close-By to Top Private School * Good Prices and financing available * Turn-key Home * Fully Funded Program * Close to Downtown, but Upscale Park-Like Setting | **Weaknesses**   * Detroit’s Viability questioned? * Crime * Low Home Values * Poor Elementary Schools * Neighborhood at Economic Tipping Point? * Marketing Without Non-Traditional Resources |
| **Opportunities**   * Stunning Homes at Bottom Market Pricing * Appealing Financing Programs for Lower and Middle Incomes Buyers * A neighborhood Where Residents Talk to Each Other- Make Friends. * Activities to Access Nearby | **Threats**   * Will I Like It Here? * Is Detroit Viable? * Safety Concerns * Can I Afford It? * Will I Make friends With Others Like Me? * Can I Be My Authentic Self and Be Accepted and Welcomed? |

***Bibliography***

Arnstein, S. R. (1969) “A Ladder of Citizen Participation”’ *Journal of the American Planning Association,* 35(4), 216-224.

Dewar, Margaret (2011)“Selling Tax-Reverted Land”, *American Planning Association Journal of the American Planning Association*, 72(2), 167-180 (2006), retrieved February 12, 2011, from ABI/INFORM Global. (Document ID: 1039289891)

Iatridis, Demetrius (1994) “Social policy: Institutional Context of Social Development and Human Services”, Pacific Grove, CA: Brooks/Cole, p. 63-85.

U.S. Department of Housing and Urban Development. (August 2009), “State and Local

Allocations”. Retrieved February 5, 2010 from http://hud.gov/offices/cpd/

Community development/programs/neighborhoodspg/nsp1.cfm