A FRAMEWORK FOR STRATEGIC GEOGRAPHIC TARGETING OF THE COMMUNITY DEVELOPMENT BLOCK GRANT IN INDIANAPOLIS, IN

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Chapter 1: Introduction

Introduction

The Community Development Block Grant (CDBG) program has been the primary federal funding source for community development since its inception under the Housing and Community development act in 1974. The CDBG program unified eight separate federal programs in an effort to simplify the application process and to increase the predictability of funding for community development from year to year. The program also provided increased flexibility to communities to tackle a wide range of issues as long as the funds were used in accordance to three primary objectives: (1) benefiting low and moderate income populations, (2) preventing or eliminating slums or blight, and (3) addressing urgent needs (Rohe & Galster, 2014).

CDBG funds are distributed to two jurisdictions: entitlement communities and states. Cities are deemed entitlement communities if they meet one of three criteria: (1) principal city of a Metropolitan Statistical Area, (2) metropolitan city with population of at least 50,000, and (3) urban counties with population of at least 200,000 (excluding the population of entitlement cities). These cities receive 70% of CDBG funds, while States receive the other 30% to distribute to rural areas not within entitlement communities.

The federal government has provided over $130 billion for community development since its inception in 1974. CDBG is still the largest funding source for community development, but the pot of money provided to the program has been dwindling consistently since its peak in 1978 when it deployed $12.7 billion ($57 per capita). CDBG, as of 2012, is at an all-time low of
$3 billion ($10 per capita). This is especially troubling when considering that CDBG is still the largest source of funds to assist the myriad issues facing deteriorating communities. These communities with high concentrations of poverty have been shown to cause a larger share of social issues (Brooks-Gunn, Duncan, & Aber, 1997; Dreier, Mollenkopf, & Swanstrom, 2004; Galster, 2002) than more stable neighborhoods. These social issues and poverty are also typically accompanied by lower property values and, thus, less property tax revenue for cash-strapped jurisdictions to deploy for community development. Therefore, this downward spiral for distressed communities is increasingly difficult to address as CDBG funding continues to decrease.

Coupled with the falling source of funds is criticism of the effectiveness of the program itself. Issues highlighted by critics include “that participants not accountable, leading to the waste and misuse of program funds; that the program is inadequately targeted to the communities that need it the most; and that politicians use the program as a political tool for their reelection” (Rohe & Galster, 2014; DeHaven, 2009; Malanga, 2010; Misuse of HUD, 1993). Many are underwhelmed by the results of the program and contend CDBG is not altering the trajectory of disadvantaged neighborhoods as intended. Results of the spent dollars are certainly mixed, and the lack of execution continues to threaten the program. The effectiveness of dollars spent on urban revitalization is a major question and hurdle to leap for proponents of public intervention. If public investment in neighborhoods fails to positively impact distressed neighborhoods, opponents would claim the spending should be stopped or at least decreased. Therefore, strategic and efficient allocation of decreasing CDBG funds is crucial to change the course of distressed communities and maximize the return on public dollars.
Chapter 2: Background Information

Neighborhoods in Bloom, Richmond, VA

The Neighborhoods in Bloom (NiB) program began in 1999 in Richmond, Virginia to restore distressed historic neighborhoods. Richmond and its NiB program took a different approach to neighborhood investment than commonly seen throughout municipalities in the United States; rather than allocating Community Development Block Grant (CDBG) and Home Investment Partnership (HOME) funds somewhat evenly among neighborhoods in need, Richmond concentrated $21.33 million of public funds over a span of five years within seven neighborhoods. The purpose of this method was to provide consistent and concentrated public intervention to stimulate private investment that the more common model had not been achieving (Galster, et al., 2006).

According to Galster (2006), there were two primary factors that led to the development of NiB. Internally, city councilors were tired of being lobbied to allocate funds in certain neighborhoods. Externally, community development corporations (CDC) realized they needed multi-year commitments of funds to effectively pursue their mission. Community development is not a short term process, and the CDCs needed consistent funding from year to year to plan acquisition, rehabilitation, and new construction properly. In 1998, Richmond decided to attempt to solve the problem by creating the Neighborhoods in Bloom program to create a strategy to concentrate public funds, including CDBG, within a few neighborhoods over a period of time necessary to significantly alter the trajectory of neighborhoods.
Naturally, there were city councilors and neighborhoods that were hesitant to implement this program because a significant number of eligible neighborhoods would not make it into NiB. To help appease these stakeholders, the city developed a data driven and participatory process to determine the neighborhoods to be included. The city created a task force to identify indicators of neighborhood condition and development potential to rank eligible neighborhoods. Neighborhoods were categorized into one of four neighborhood groups: (1) Redevelop, (2) Revitalize, (3) Stabilize, and (4) Protect. This objective analysis, as well as a thorough process involving the community development industry and neighborhood representatives, led to general support for the program and a consensus about which neighborhoods to target (Galster, et al., 2006).

This method of strategically targeting public funds resulted in substantial improvements within the neighborhoods chosen for the NiB program. Galster, Tatian, and Accordino found that homes within NiB boundaries appreciated 10.85% per year faster than comparable homes not within NiB. Further, by the end of the program in 2004, home value within the NiB had reached the city-wide average. More evidence of the success of NiB came from comparable neighborhoods that were not targeted for investment. These other distressed neighborhoods kept pace with the city-wide rate of appreciation, but were significantly outperformed by the NiB neighborhoods (Galster, et al., 2006).

Figure 1: Pre and Post-NiB Home Price Appreciation
Galster, Tatian, and Accordino also point out that because the control neighborhoods did appreciate during the NiB program years, rather than regress; residents were not merely displaced from the targeted neighborhoods. There was overall improvement throughout the city, not just improvements in the targeted neighborhoods and depreciation in non-targeted neighborhoods. It was estimated that the $21.33 million invested into the NiB program “increased the aggregate value of single-family homes in NiB target areas by $44.98 million more than if they had increased at the same rate as the rest of Richmond,” (Galster, et al., 2006, p. 464).

Overall, NiB had a profound effect on the distressed historical neighborhoods chosen for redevelopment. One of the strongest criticisms of the CDBG program, as well as other public intervention programs, is that the programs rarely result in neighborhoods no longer needing assistance. The fact that NiB neighborhoods reached city-wide average value for comparable
homes within five years demonstrates that, when used strategically, public funds can be very effective.

Another key finding from the study of the NiB program done by Galster, Tatian, & Accordino was the determination of a threshold of public investment requires to alter neighborhood trajectory. Neighborhoods that received $21,000 of investment per block showed significant improvement, while neighborhoods receiving less than this threshold amount showed no measurable improvement (2006).

Figure 2: Impact of Above Threshold Spending with NiB Target Areas

![Graph of Impact of Above Threshold Spending with NiB Target Areas]

This determination of an investment threshold is a critical addition to the practice of urban revitalization. While the threshold may vary for different cities and neighborhoods under different conditions, the NiB program demonstrates that unless the respective threshold for a given city or neighborhood is met, the investment will have minimal lasting impact. Certainly,
money spent under this threshold is critical to those receiving the direct benefit. However, with available dollars for community development dwindling, the impact of investment must extend beyond the site chosen for improvement.

Criticism of this method will likely involve the concentrating of funds into a select few neighborhoods at the expense of neglecting many other neighborhoods in need. Further, the Clinton Administration attempted to encourage targeted investment within Neighborhood Revitalization Strategy Areas (NRSAs); but, since 1995, only 17% of CDBG dollars have been spent within NRSAs (Rohe & Galster, 2014). The unfortunate truth, however, is that a municipality with limited resources must make difficult decisions on how to use these resources because the ineffectiveness of equal distribution has been well demonstrated by Galster, Tatian, & Accordino.

Another minor criticism of NiB is that neighborhoods were chosen from a primarily needs based perspective. In effect, the neighborhoods essentially received a higher ranking if they had higher concentrations of poverty, vacancy, minorities, and female headed households than Richmond as a whole. Certainly, these are the populations that should be targeted for assistance, but there is also a need to evaluate the potential of neighborhoods to respond to this investment. There are plenty of neighborhoods that meet the needs-based criteria, but if a municipality really wants to maximize return on limited resources, it must consider the realities of the market in neighborhoods under consideration.

NiB (through CBDB and HOME funds) has shown that public investment can have a positive impact on distressed neighborhoods, but there is certainly still room for improvement. What makes one neighborhood more likely to transform from public intervention, while the same
intervention falls flat in another neighborhood? If market indicators were determined that demonstrated a stronger probability of neighborhood transformation, risk of public dollars would be mitigated.

**Identifying Indicators of Housing Appreciation**

In Galster & Tatian’s 2009 study, “Modeling Housing Appreciation Dynamics in Disadvantaged Neighborhoods,” attempted to develop a predictive model of housing appreciation for Washington D.C. neighborhoods that could be applied to other cities. They evaluated housing data from 1995 to 2005 to find indicators that correlated to an increase in the likelihood of housing appreciation. Theoretically, these indicators could then be applied to current conditions to identify neighborhoods likely to begin appreciating.

Galster & Tatian found three primary indicators of future neighborhood home appreciation in their study. First, if city-wide improvement (job growth, immigration, etc.) was occurring, disadvantaged neighborhoods would be more likely to improve as well. However, this indicator is much stronger when coupled with the second indicator, proximity to non-disadvantaged neighborhoods. Homes in disadvantaged neighborhoods in close proximity to non-disadvantaged neighborhoods were 422% more likely to begin appreciating than similar homes in other disadvantaged neighborhoods not in proximity to stronger neighborhoods. The spillover effects of quality neighborhoods are critical to the potential revitalization of disadvantaged neighborhoods. Moreover, as these disadvantaged neighborhoods with fortunate locations improved, disadvantaged neighborhoods in proximity to the improving neighborhoods
began to improve. Third, neighborhoods with increasing volumes of sales, even in the absence of rising prices, strongly indicated impending housing appreciation in the neighborhood.

Figure 3: Degree of Price Growth in Relation to High Value Tracts

The issue Galster & Tatian (2009) point out is neighborhoods of high disinvestment not in proximity to non-disadvantaged neighborhoods have a very bleak outlook. These are the neighborhoods in most need of public intervention, and are also the neighborhoods with most risk of investment. Gut reaction would call for these neighborhoods to receive the bulk of CDBG funds, and this is how funds are typically distributed, a needs-based approach. However, the
better course may be investing in the disadvantaged neighborhoods in close proximity to advantaged neighborhoods and proceeding outward. It has been shown that success spreads from quality neighborhoods as a result of spillover effects (Galster and Tatian, 2009). Theoretically, investing in the disadvantaged neighborhoods surrounding non-disadvantaged neighborhoods and expanding over time could gradually result in improvement in all neighborhoods with decreased risk of taxpayer dollars.

Galster & Tatian (2009) also posit that these indicators could be applied to predictive models of potential future displacement. Rather than retroactively attempting to mitigate gentrification of a rapidly appreciating neighborhood, steps could be taken in neighborhoods presenting indicators of future displacement issues. Further, because research on property values finds support of positive impacts of affordable housing (Ellen and Voicu, 2006; Deng, 2011), these projects could be initiated as a revitalization catalyst as well as a safeguard for displacement.

Collectively, these findings reaffirm the need to continue public intervention in neighborhoods of disinvestment; however, strategic investment in distressed neighborhoods with greater market potential can greatly reduce the risk of public funds for community development. Especially in cities with large areas of distressed neighborhoods, it is critical to get the most out of public dollars as possible. Strategic targeting of critical masses of public funds certainly creates a few winners and leaves many neighborhoods waiting, but spreading public funds thin to reach every neighborhood provides little chance for any winners.
Chapter 3: Methodology

Strategic Geographic Targeting

The goal of strategic geographic targeting (SGT) of public funds is to objectively select distressed neighborhoods with the greatest potential for transformative investment. SGT takes the needs-based approach of community development a step further and incorporates market indicators that increase the likelihood of revitalization. As mentioned previously, with community development funds continuously decreasing, it is critical for the government to get the highest return on those funds as possible.

In addition to incorporating market indicators, SGT concentrates CDBG funds into a smaller number of neighborhoods. This is necessary to achieve the critical mass of funds required to induce long-term sustained home value appreciation. Unfortunately, this cannot be achieved by distributing funds more or less equally between all distressed neighborhoods.

This framework increases the impact of limited CDBG funds by concentrating the funds into a limited number of distressed neighborhoods with the greatest potential to respond to investment. SGT significantly decreases the number of neighborhoods that receive CDBG funds, but hopefully this aggressive investment will catalyze reinvestment from the private market, and leave the selected neighborhoods without need of future public assistance.

Data
There were three data sets used in this study to determine where to target CDBG funds: (1) 2012 American Community Survey (ACS) five-year estimates, (2) annual sales data from the Marion County Assessor’s Office, and (3) land bank data from the Indianapolis Department of Metropolitan Development.

The ACS, produced by the United States Census Bureau, provides one, three, and five-year estimates for a wide range of demographic data. The one year estimates are the most current set of data, but are also the most unreliable and should not be used at the neighborhood level. Conversely, the five-year estimates have the largest sample size of the three data sets making them the most reliable, but also less current than the one and three-year estimates. Because the five-year estimates are valid down to the census tract geography, this framework defines neighborhoods by census tract. Ultimately, the five-year estimates were chosen to reliably evaluate neighborhood indicators. It is worth noting that the decennial census is more reliable than the ACS, and that some statistical reliability is being sacrificed for more current estimates.

The Marion County Assessor’s office documents the location and price of every home sale in Indianapolis. This data is extremely valuable because of its accuracy and annual reporting, which provides yearly indications of changing preferences among neighborhoods that the United States Census cannot provide. In addition to the number of sales, this data is used to find the median sales price for each census tract.

In addition to the ACS and sales data, land bank data was used to both identify neighborhoods in distress as well as neighborhoods with previous and existing public investment. The Indianapolis Department of Metropolitan Development maintains a database of all land bank properties that can be geocoded into ArcGIS for analysis.
Identifying Neighborhoods in Distress

One of the three primary objectives of the CDBG program is to benefit low and moderate income populations. In addition, of the requirements for NRSAs is that they be in low income areas. Therefore, the first step in this framework is identifying low income neighborhoods to receive CDBG funds, which are those at 80% of area median income. The area median income for Marion County is $42,603, so a given census tract’s median household income must be less than $34,082.40. This is easily determined by joining ACS 2012 data for median household income to census tracts under study.

In addition to low income status, the amount of poverty within a Census tract is another indicator of neighborhoods in distress. Therefore, Marion County neighborhoods with high concentrations of poverty were identified using ACS five-year estimates. Marion County census tracts with higher concentrations of poverty compared to Marion County as a whole also have significantly lower median household incomes.

Low median household income and poverty status are both good indicators of distressed populations, but an emphasis of the framework is to also targets neighborhoods with a distressed real estate markets. A high percentage of vacancy is a basic indicator of a lack of demand for real estate, so the framework also targets those neighborhoods with higher concentrations of vacancy than Marion County overall. Below median home value is another indicator of a depressed real estate market. Conveniently, the ACS also tracks vacancy as well as median home value at the census tract level, so these neighborhoods can be easily identified.
High poverty, low median household income, high vacancy, and low median home value are a small number of indicators that are highly indicative to distress. These indicators will be used in this Framework to identify distressed Marion County census tracts that are eligible for CDBG funding. There are certainly other indicators of distress, but one of the goals of this SGT Framework is to create a simple, objective method for any municipality to target funds. Adding more measures of distress would likely add complexity to the framework without noticeably altering results. However, depending on the municipality and its goals, other measures of distress could easily replace those chosen for this Framework. The measures of distress, other than serving low income populations, are not as critical to the SGT Framework as concentrating funds into neighborhoods with potential for revitalization.

Identifying Neighborhoods with Market Potential

Vacancy is both an indicator of neighborhood distress as well as development potential. Disinvested neighborhoods frequently exhibit high concentrations of vacancy as a result of poor real estate markets. However, these vacant buildings and parcels are much more accessible for land assembly and redevelopment than those currently owner-occupied. One of the greatest hurdles of community development and neighborhood revitalization is piecing together a sizable tract of land for development. Therefore, neighborhoods with high concentrations of vacancy will generally ease the task of land assembly.

Easing land assembly is also a prime motivation for the land bank system. Fortunately, the Indianapolis land bank, started in 2007, has been acquiring tax delinquent properties, which eliminates hurdles in the redevelopment process. Renew Indianapolis, the organization
responsible for running the land bank, provides a list of all the properties within the land bank which can be geocoded into ArcGIS for spatial analysis. A high number of land bank properties within a Census tract is another indicator of a distressed real estate market. However, this is also an indicator of potential for revitalization as these properties can be easily assembled.

Vacancy and land bank properties reduce one of the barriers to revitalization, but it is also critical to identify neighborhoods where there is potential demand for these properties once they are redeveloped. The median home value indicator is the critical market variable that identifies potential. Generally, neighborhoods with a lower median home value adjacent to a neighborhood with a higher median home value are significantly more likely to begin appreciating (Galster & Tatian, 2009). Therefore, the ideal neighborhoods to invest in are the distressed neighborhoods that are adjacent to neighborhoods with a strong real estate market.

This SGT framework first identifies distressed neighborhoods in need of investment. Then, within the neighborhoods of distress, the neighborhoods with the most redevelopment potential are identified. Identifying the ten distressed neighborhoods with the most market potential does two critical things: 1) reduce the number of neighborhoods to invest in to help create a critical mass of investment within each neighborhood, and 2) maximizes return on investment by investing funds within neighborhoods most likely to improve.
Chapter 4: Results

The first step in the SGT framework is to identify distressed census tracts that are eligible to receive public funding for revitalization. Federal funds are required to serve low income populations, so the first step is to identify Census tracts with median income at or below 80% of area median income (AMI). However, this framework takes the federal requirement a step further and targets Census tracts with above median vacancy and poverty, as well as below median home values. ACS 2012 data for income, vacancy, poverty, and home value was joined to census tracts in ArcGIS to identify distressed Census tracts as defined by this framework. These tracts are shown in the following map:

Figure 4: Distressed Census Tracts
Census tracts colored in grey are those with a higher concentration of vacancy and poverty, and a lower median home value than Marion County overall. The distressed neighborhoods tend to surround the central business district. These are the only tracts eligible to receive funding within this proposed framework.

From these distressed tracts, tracts with market potential are selected based on proximity to above median home value neighborhoods, tracts with increasing home sales, and tracts with land bank properties. As proximity to strong neighborhoods is the biggest factor that influences market potential, these tracts are identified first. The following map shows the previously identified distressed tracts and their relation to tracts with above median home values:
Distressed, eligible census tracts that share a boundary with above median home value census tracts are outlined in black. These distressed tracts are significantly more likely to begin appreciating than those that are not in proximity to above median home value census tracts.

The previous step identified census tracts with market potential based on what is occurring beyond their boundaries. Identifying tracts with increasing sales for two years adds a more internal market indicator. Home sales were aggregated at the Census tract level in ArcGIS to determine the total number of sales within a given year. The following map identifies
distressed census tracts with two years of increasing sales from those adjacent to tracts with above median home values:

Figure 6: Distressed Tracts with Increasing Sales in Proximity to Strong Neighborhoods

These ten Census tracts, while distressed, show signs of market potential that public investment can build off of and accelerate.

The final layer of information used in this SGT Framework to identify ideal neighborhoods for public investment is locating Census tracts with Indianapolis Land Bank properties. As mentioned previously, Renew Indianapolis provides a list of all available land
bank properties that can be geocoded into GIS for spatial analysis. The following map illustrates the location of all land bank properties as of March 2014:

Figure 7: Distressed Tracts with Market Potential and Their Relation to Land Bank Properties

The concentration of land bank properties follows the same general pattern of distressed neighborhoods. These properties are assets for the neighborhoods they inhabit, especially those distressed neighborhoods with market potential.

After identifying Marion County’s distressed Census tracts with market potential, the potential tracts for public investment have been reduced to ten neighborhoods. The following
The table summarizes the ten ideal neighborhoods for investment under this proposed SGT Framework:

<table>
<thead>
<tr>
<th>Census Tract</th>
<th>Percent Below Poverty</th>
<th>Median Household Income</th>
<th>Median Home Value</th>
<th>Percent Vacant</th>
<th>Land Bank Properties</th>
</tr>
</thead>
<tbody>
<tr>
<td>3527</td>
<td>57.1</td>
<td>$19,023</td>
<td>$65,200</td>
<td>32</td>
<td>14</td>
</tr>
<tr>
<td>3508</td>
<td>53</td>
<td>$19,375</td>
<td>$71,400</td>
<td>23.1</td>
<td>5</td>
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<td>20.1</td>
<td>9</td>
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<tr>
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</tr>
<tr>
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<td>$30,227</td>
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<td>32.7</td>
<td>34</td>
</tr>
</tbody>
</table>

These ten Census tracts exhibit characteristics ideal for public investment; they are distressed and in need of public investment, but have both internal and external characteristics that increase the likelihood of a reasonable return on investment.
Chapter 5: Discussion and Conclusion

Strategic geographic targeting of CDBG funds is crucial to both achieving a critical mass and getting the greatest return from public dollars. The framework proposed in this paper identifies the most distressed neighborhoods with the most potential for revitalization. Concentrating funding within the few neighborhoods that meet these criteria can result in transformative investment by creating a critical mass in neighborhoods with redevelopment potential.

How does Indianapolis Currently Target CDBG Funds?

The City of Indianapolis is required by HUD to create a Consolidated Plan every five years, as well as an Annual Action Plan to lay out how the city will allocate its funding. Within these documents, the city is required to identify its NRSAs. According to these plans, there is very little, if any, objective, data-driven methods for identifying their NRSAs (City of Indianapolis, 2015). The city ultimately has identified a large area in need of investment, without regard for market potential. The NRSA identified in the plans is a contiguous, large area surrounding the downtown core of Indianapolis.

Figure 8: Indianapolis Neighborhood Revitalization Strategy Areas
Data provided for the NRSA primarily demonstrate the area is one of distress, but there is no effort to define areas that would provide the greatest return on investment.

Some of the neighborhoods identified within the proposed framework in the paper are contained within Indianapolis’ NRSA; however, the NRSA is significantly larger than the ten Census tracts identified in this paper. As mentioned previously, a small target area is necessary for creating a critical mass of resources, especially when funds are limited. Creating a critical mass of resources within the Indianapolis NRSA would be less feasible than within the ten Census tracts identified in this paper.

Not only is the NRSA a larger target area, it also targets areas that likely do not have the potential for revitalization that this paper has identified. For instance, the NRSA includes a large area on the south and southeast side of Indianapolis that is not in close proximity to high home value neighborhoods and neighborhoods with two years of increasing home sales. While these areas are distressed and would certainly benefit from public investment, they may not respond to investment as quickly as the neighborhoods identified with market potential.

**How to Best Spend CDBG Funds?**

Once neighborhoods are identified for revitalization, how does a municipality best use their CDBG funds to achieve the greatest impact? This important question is one for further research. CDBG funds can be spent on a number of different eligible activities; however, some activities will likely have stronger impacts on neighborhood revitalization than others.
Some neighborhoods may have obvious needs to address with CDBG funds, but in others that need a number of fixes, what improvement will have the greatest impact? Housing may be a big need in the neighborhood, but maybe another program, such as the Low Income Housing Tax Credit, may be more adept at tackling housing than CDBG. The identification of neighborhoods to invest public dollars in is the first step; determining how to invest the funds is a more complex decision to be made at the local level.

Combining Programs to Maximize Impact

What else can be done beyond concentrating CDBG funds to achieve a transformative impact? This framework discusses the concentration of CDBG funds to reach a threshold of critical mass, but this idea extends to other programs as well. The neighborhoods identified in this framework can and should also be the target of other community development programs. If a municipality is committed to transforming a neighborhood, CDBG should not be the only resource deployed. Other resources, such as the Low Income Housing Tax Credit, HOME Investment Partnerships Program, workforce development programs, New Markets Tax Credits, and many others can be targeted in these neighborhoods to further transform a neighborhood.

The successful transformation of a neighborhood requires a comprehensive strategy to combine programs that address infrastructure, housing, workforce development, social capital, transportation, and education, etc. to truly better the overall health of a neighborhood.

Other Factors that Impact Revitalization
This is model is a purposefully objective, data driven framework to allocate CDBG funds. This is in part an effort to be as fair as possible in the allocation of funds, and also an effort to create a simple, efficient method that uses easily attainable data. However, this bird’s eye view analysis does not consider some existing characteristics of neighborhoods, such as school quality, condition of infrastructure, social capital, and access to jobs, etc. These characteristics will certainly impact any revitalization effort, and a given municipality should take these into consideration when locating revitalization efforts. For instance, a neighborhood may be an ideal candidate for revitalization according to the framework proposed in this paper, but may lack some of the critical characteristics mentioned above to execute a revitalization plan. These neighborhoods are thus the target of capacity building as they exude the demographic and geographic characteristics for revitalization, but are missing certain necessary characteristics to put a plan into action.

In addition, there are other physical characteristics of neighborhoods this framework does not address, such as access to mass transit, commercial nodes, and parks. The framework also does not consider undesirable sites such as landfills, brownfields, rail lines, wastewater treatment facilities, etc. The existing land use and some of the existing characteristics of neighborhoods are not included in this framework, but will potentially inform how and where to invest public funding. This framework, again, is a high level spatial analysis to determine which neighborhoods will respond to public investment based on demographics and geographic relationships. Subsequent analysis of the neighborhoods identified with this framework is necessary to effectively guide the spending of public funds.

Conclusion
CDBG funds have been on a steady decline for decades, and their effectiveness has been questioned by skeptics. While there have admittedly been mixed results in the literature, CDBG funds have been shown to be effective when their use has been concentrated to achieve a critical mass.

It is also important to recognize CDBG funding is not a silver bullet, even if deployed strategically, to revitalize neighborhoods. There are many resources available for community development initiatives, and as federal funding decreases, the many resources available must be used together, strategically, to revitalize our struggling neighborhoods. Identifying neighborhoods with the greatest potential for revitalization and concentrating a critical mass of resources in those neighborhoods is a critical first step.
References


**Misuse of HUD Community Development Block Grant funds: Hearing before the Subcommittee on Employment and Housing of the Committee on Government Operations, House of Representatives. 102d Cong. 1 and 2 (1993).**