

FOCUSED INVESTMENT FOR MAXIMUM IMPACT

An Evaluation of the Focused Investment Strategy (FIS) Neighborhood Revitalization Program

June 27, 2016

Prepared for:
City of Rochester
Department of Neighborhood and Business Development

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Lovely A. Warren
Mayor



July 5, 2016

Dear Citizens of Rochester,

My Administration took office toward the end of the City's first Focused Investment Strategy (FIS) initiative. The four FIS areas are the Marketview Heights FIS Area, the Beechwood FIS Area, the Dewey Driving Park FIS Area and the Jefferson FIS Area.

Upon completion of the FIS, we commissioned an evaluation to determine whether the decision to target resources worked to revitalize our neighborhoods, and whether we should continue to focus our investment.

This study, *Focused Investment for Maximum Impact*, shows that by concentrating revitalization investment, the City was able to leverage additional development, increase property values, empower community members as agents of change, and improve the quality of life of nearby residents.

We are pleased to see that the FIS Initiative met the program goals; but challenges remain in each of the four FIS areas. We must continue to build on the success that we have already shown.

I believe that a continuation of the FIS can play an important role in our efforts to bring more jobs, safer and more vibrant neighborhoods and better educational opportunities to our citizens. In the coming months, my Administration will engage the community to chart the next steps for focused investment in Rochester. One of the first action items will be to reconnect with the neighbors and community partners in each area to share the findings of this study and brainstorm about future phases of focused investment.

Thank you to all who participated in FIS to strengthen our City, block by block. We could not have met the program goals without you. I urge you to remain involved, as our work is not done.

Sincerely,

A handwritten signature in blue ink that reads "Lovely A. Warren".

Mayor Lovely A. Warren



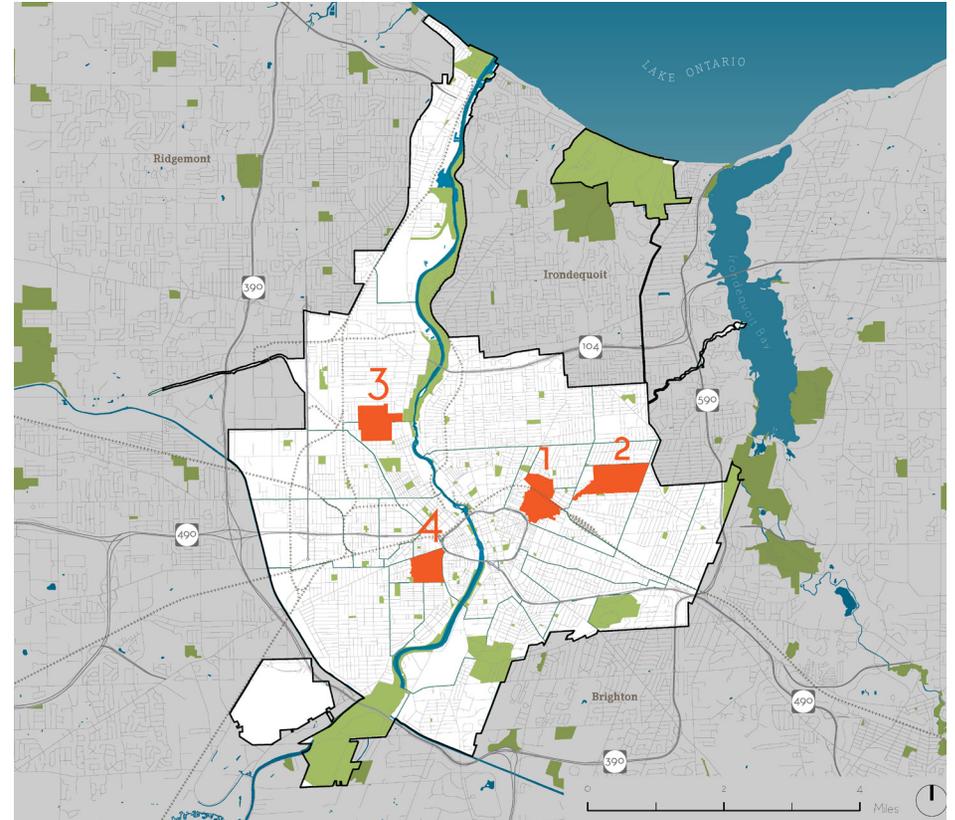
EXECUTIVE SUMMARY

Rochester's Focused Investment Strategy (FIS) marked an important shift in the City's approach to community development. Following decades of population loss and a prolonged effort to stem neighborhood decline by distributing revitalization efforts and dollars across Rochester, the City decided to instead target scarce community development resources in four distinct pockets of Rochester – one in each of the City's four quadrants.

- **Northeast Quadrant:** Marketview Heights FIS Area, close to Center City Rochester and the Rochester Public Market
- **Southeast Quadrant:** Beechwood FIS Area, following the Webster Avenue corridor to the new \$27 million Ryan R-Center, a state-of-the-art community facility also home to School #33 and the Sully Branch Library
- **Northwest Quadrant:** Dewey Driving Park FIS Area, where Maplewood meets Edgerton and both neighborhoods are bisected by the Dewey Avenue commercial corridor
- **Southwest Quadrant:** Jefferson FIS Area, just south of West Main Street and the Anthony Square Apartments

Over the course of seven years, the City annually committed 20 percent of its federal Community Development Block Grant (CDBG) allocation and nearly matched the investment of federal funds with local dollars – a blend of City Cash Capital, Development Funds, and Bonds – for a total program investment of \$17.1 million across the four FIS Areas.

The FIS program emphasized physical improvements in the built environment. The primary FIS tools were demolition, code enforcement, exterior residential rehabilitation intended to improve building envelopes and enhance curb appeal, limited infill and new construction, commercial façade improvements, business loans, greening, streetscape beautification, and infrastructure investments, all informed by community engagement within each FIS Area.



Four FIS Areas in Context

- 1 Marketview Heights
- 2 Beechwood
- 3 Dewey Driving Park
- 4 Jefferson

Purpose of the Program Evaluation

The City decided to target scarce resources and complement its investment of financial resources with a new emphasis on inter-departmental coordination and a renewed commitment to community collaboration. Through FIS, the City intended to maximize its impact and effect marked and measurable change in neighborhood and market conditions within a short period of time.

The purposes of this FIS Evaluation are to:

- Provide a full overview of program spending and community development activity
- Determine whether the targeted investments met program goals efficiently and effectively
- Offer recommendations for the City's ongoing community development efforts based upon the research and findings



Goals and Context

Community development initiatives are complex; they take time to implement, and the impacts of such investments take even more time to register in datasets that can contribute to program evaluation. In the case of FIS, the program's timeline coincided with the nationwide economic recession that set in in 2008, bringing with it restricted access to credit both for homebuyers and developers, increased rates of foreclosure and unemployment, and constricting neighborhood revitalization resources at the federal and local levels.

During the FIS years, the City's allocation of CDBG dollars fluctuated, but fell overall by 14 percent from \$9.5 million in Fiscal Year 2008-09 to \$8.2 million in Fiscal Year 2013-14. To compensate for dwindling community development resources, partner agencies at the federal and state levels placed new emphasis on targeted investment. Rochester's FIS positioned it well not only to compete for scarce resources, but to put those dollars to good use. Indeed, during the seven years of the FIS program, the City and its community development partners made great strides toward the program goals in each of the FIS Areas.

THE STATED GOALS OF FIS WERE TO:

- **Improve local housing markets and neighborhood vitality**
- **Increase property values, thereby growing the tax base**
- **Maximize the impact of federal funds by targeting City resources and leveraging additional investment**
- **Empower community members**
- **Maximize the number of low and moderate-income residents who benefit from program expenditures beyond direct recipients**

The pages that follow highlight major accomplishments in each FIS area and chart progress within each FIS Area against the above listed goals.

The results are clear. Although the application process for FIS grants was voluntary, and eligibility criteria such as no back taxes presented obstacles for program participation, FIS nonetheless made visible, tangible changes in the neighborhood fabric – if not on every property in each FIS Area. Housing investments boosted assessed values and demonstrated demand for rehabbed and new units, though sale prices have not recovered post-recession. With the \$17.1 million in program dollars and demonstrated commitment to the four geographic areas, the City leveraged \$88.7 million in additional investment within the FIS Areas. Though restrictions of the primary funding streams (CDBG and City Cash Capital) precluded sustained FIS investments in community building efforts, the program did provide a galvanizing force that brought

neighbors together as active participants in revitalization. And the investments triggered ripple effects including reduced crime and increased neighborhood pride – intangibles that benefit all neighbors.

Importantly, FIS accomplished all this despite very challenging existing conditions in the four chosen areas. Though the FIS program model called for selecting “transitional” neighborhoods on the cusp of change where investments would either accelerate positive change and growth or stave off decline through stabilization, the four selected areas were in fact quite distressed, with concentrated poverty, elevated rates of crime, tax and mortgage delinquency, distressed housing stock and high rehab costs, and absentee owners, among other issues, which were then compounded by the effects of the national recession.

The study that follows explores the myriad ways in which FIS impacted the trajectory of four pockets of the city and quality of life for the people who live there. Though there are many nuances, the hard data and the people whose lives were touched by FIS agree:

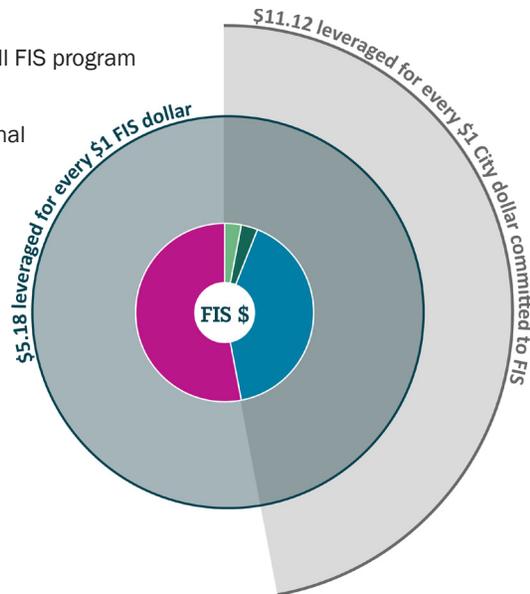
- Yes, focused investment works and is worth continuing, and
- Yes, there is still more work to be done in each of the four FIS areas

Ratios of Leveraged Investment

The pie chart at the center represents all FIS program dollars (\$17.1M), color coded by source.

The blue circle represents the proportional scale of dollars leveraged (\$88.7M) to total program dollars. For every \$1 FIS dollar, the City leveraged \$5.18.

The gray circle represents the proportional scale of dollars leveraged (\$88.7M) to City resources committed (\$8M of the \$17.1M program dollars). For every City-dollar committed, the City leveraged \$11.12.



TOTAL FIS DOLLARS COMMITTED: \$17,116,374
CDBG: \$9,137,799
CITY CASH CAPITAL: \$7,007,982
CITY DEVELOPMENT FUNDS: \$470,593
CITY BONDS: \$500,000
TOTAL DOLLARS LEVERAGED: \$88,728,243 ←

“Five years is not enough time. FIS was a great program – smart and strategic. But there is still room to do more. The need is great.”
- Community Partner

Key Accomplishments: Marketview Heights

In addition to the 67 homes renovated and built through FIS, the Marketview Heights FIS Area hosted several unique and larger-scale investments. **North Union Street has a new and improved streetscape**, with branded crosswalks, curb bumpouts, and stormwater management integrated at crosswalks leading to the Public Market. **The rail bridge over North Union has been converted into a walkway into the Market**, connecting a new parking area west of Union with the Market on the east side of the street. The route to the Market has also been improved by active neighbors of the Marketview Heights Collective Action Project (CAP), who have planted colorful gardens atop formerly vacant land.

East Main Street is undergoing transformation now, with two highly visible and creative adaptive reuse projects leveraged by the City's demonstrated commitment to the area: the **Market Apartments at Corpus Christi** which offer 42 affordable rental units with a preference for artists and **Eastman Gardens**, which will soon offer 52 affordable rental units for seniors.

Sofrito Garden



Public Market Trolley



Market Apartments at Corpus Christi



New Construction



Key Accomplishments: Beechwood

In addition to the 84 home renovations and new construction projects, **FIS investments yielded commercial development along Webster Avenue. The Freedom Market**, which offers fresh produce in the neighborhood is a major success and point of local pride, as are **Speedy Slice, Caring & Sharing Daycare, and the Dazzle dance school**. Community leaders tie momentum built during the FIS years to more recent developer interest along East Main Street, and community networks have strengthened. Community participation with the NorthEast Area Development Corporation (NEAD) and the Beechwood Neighborhood Coalition has blossomed. NEAD leveraged Beechwood's FIS designation to secure \$1 million in grant funding from Wegmans, the Farash Foundation, and the Greater Rochester Health Foundation for use in the broader area, emphasizing that grantors would not be investing in **"an island, but rather an area of focus by the City."** The Housing Authority also invested \$2.5 million near the Beechwood FIS Area.

Dazzle School of Visual & Performing Arts



Freedom Market



Residential Rehab



Key Accomplishments: Dewey Driving Park

Major accomplishments include the **60-unit adaptive reuse of the Holy Rosary Campus and nearby scattered sites**, coupled with strategic infill nearby. **Dewey Avenue benefited from some streetscape and safety improvements**, and FIS's Flower City Looking Good campaign brought beautification efforts to residential blocks as well. Business assistance and capacity building was a focus in this FIS Area, bisected by two commercial corridors, and a street liaison is now in place to guide the work of the new **Dewey Driving Park Merchants Association**. The area's **growing community of new Americans** has buoyed the housing market, with multiple Nepalese households becoming homeowners after several years of renting. Though the realignment of the Dewey-Driving Park intersection has not yet taken place, FIS laid the groundwork for this major investment, and effected much change on surrounding blocks.

Holy Rosary Campus



New Construction



Public Art



EXECUTIVE SUMMARY

Key Accomplishments: Jefferson

The Jefferson FIS Area built upon the momentum of a large-scale housing development, the Anthony Square Apartments constructed south of West Main Street prior to FIS. Several housing developments followed, leveraged by FIS, among them the **Voters Block Community and the rehabilitation of the Hardy Apartments**. Together these housing developments create a **transformed gateway** to the neighborhood. **Jefferson Avenue has been upgraded with new lighting and streetscape improvements**, and **Troup Street Park is now actively used by neighborhood children – not drug dealers – in the summertime**, according to a neighborhood leader. FIS spurred a grassroots door-knocking initiative led by Changing of the Scenes Neighborhood Association, which got neighbors talking. A community leader started a block group, which seeded three new block groups. The **Jefferson Avenue Seventh-day Adventist Church has become a key partner**; inspired by FIS and the positive trends in the Jefferson Area, the Church decided against leaving the neighborhood – instead staying and investing in its property and in the social life of the community.

Residential Rehab



Hardy Park Apartments



Evaluation of Progress Toward FIS Goals by FIS Area

 Notable progress or achievement of goal
  Limited change or progress toward goal
  Regressed or lost ground

	FIS Goals					Funding		
	Improve local housing markets and neighborhood vitality	Increase property values, thereby growing the tax base	Maximize the impact of federal funds and leverage additional community development investments	Empower community members through neighborhood planning and funds for implementing plans	Maximize the number of low and moderate-income residents who benefit beyond the direct recipients	Program Dollars Spent Over 7 Years	Private Investment Leveraged in 7 Years	
FIS Area								
Marketview Heights	↔	↑	↑	↑	↑	\$4.2M (26%)	\$32.5M	
Beechwood	↔	↑	↑	↑	↑	\$3.5M (21%)	\$1.3M plus \$2M invested by Housing Authority	
Dewey Driving Park	↔	↑	↑	↔	↑	\$3.7M (22%)	\$20.6M	
Jefferson	↔	↑	↑	↑	↑	\$5.1M (31%)	\$29.7M	
Control Areas (for more information, see pages 12-13)								
Emerson + Sherman	~~~~~					~~~~~		
Clifford + Clinton	~~~~~					~~~~~		
Olean + Champlain	~~~~~					~~~~~		
Citywide								
City of Rochester	~~~~~					~~~~~		

Major Accomplishments	Key Quantitative FIS Metrics*							Major Items Remaining to Accomplish
	Building Conditions ('08 - '16)	Vacancy ('08 - '16)	Median Assessed Residential Value ('06 - '16)	Median Residential Sale Price ('07 - '15)	Owner Occupancy ('00 - '15)	Violent Crime ('08 - '15)	*Others are included in FIS Impact Analysis	
	--- A/B: good D/F: distressed	--- VB: vacant bldg VL: vacant land	--- Single- and Two-Family	--- Single- and Two-Family	--- For reference: Nationwide -5%	--- Rate per 1,000 Residents		
<ul style="list-style-type: none"> Built or renovated 67 homes; 94 new units added at Corpus Christi & Eastman Gardens North Union Street streetscape improvements and Public Market parking and trolley Neighbors engaged in Collective Action Project 	↑ A/B +54% D/F -16%	↔ VB -78% VL +39%	↑ +18%	↓ -30%	↔ +0.3%	↑ -49%	Implement the Marketview Heights Urban Renewal District Plan	
<ul style="list-style-type: none"> Built or renovated 84 homes New businesses and streetscape improvements on Webster Avenue Neighbors engaged with NEAD & Beechwood NC 	↔ A/B +8% D/F +22%	↔ VB --- VL +25%	↔ -2%	↓ -16%	↓ -7%	↑ -4%		
<ul style="list-style-type: none"> Built or renovated 63 homes; 60 new units added at Holy Rosary redevelopment Growth and homeownership in Nepali community Street Liaison working with businesses 	↑ A/B +95% D/F -42%	↑ VB -44% VL -25%	↑ +25%	↓ -44%	↓ -6%	↑ -55%	Realign the intersection of Dewey and Driving Park	
<ul style="list-style-type: none"> Built or renovated 69 homes; 102 new units added at Voters Block and Hardy Park Apartments Changing of the Scenes Association strengthened Jefferson Avenue Streetscape 	↑ A/B +158% D/F -73%	↑ VB -68% VL -14%	↑ +16%	↓ -50%	↓ -3%	↑ -52%		
			↔ 0%	↔ -1%	↓ -12%	↑ -52%		
			↑ +4%	↑ +22%	↓ -2%	↑ -24%		
			↑ +7%	↓ -61%	↓ -9%	↓ +8%		
			↑ +18%	↑ +18% +5%	↓ -4%	↑ -27%		

Next Steps

Building upon the data collected and analyzed and the wisdom of program participants and administrators, the study offers recommendations for sustained neighborhood revitalization. The recommendations for continued focused investment fall into five categories, and the Recommendations chapter provides greater detail.

The recommendations begin by underscoring that the City must protect its investment by continuing to invest in or near the original FIS areas. The distressed neighborhood conditions at the outset of the program coupled with the Great Recession, rendered it impossible to fully turn around the FIS areas within so short a span of time. Stabilization had to precede revitalization, and the City must continue targeting resources to sustain progress.

1) Protect the Investment by Continuing to Target Efforts in the First Four FIS Areas

- 1.1** Maintain a commitment to the original four FIS Areas and keep working toward revitalization and vibrancy.
- 1.2** Before the City moves on, devise a graceful exit strategy.

The remaining recommendations build upon lessons learned from the first phase of FIS to frame a strategy for selecting one or possibly two new areas for focused investment so as not to spread staff and financial resources too thin, while also integrating new program elements, improving program administration, and continuing the City's success in building partnerships that leverage additional investment.

2) Select an Area(s) for Future Focused Investment

- 2.1** Take on fewer areas.
- 2.2** Devise an entry strategy built upon lessons learned from FIS.
- 2.3** Seek areas with strong community partners poised to collaborate with the City and complement public investments.

3) Integrate New Program Components

- 3.1** Remain open to new program elements.
- 3.2** Invest in property maintenance education for community residents and property owners.
- 3.3** Continue to seek the right partner to support sustained grassroots community building and engagement.

- 3.4** Consider a matching grant program to cultivate resident ownership of and involvement in community projects.
- 3.5** Explore new incentives and promote existing programs to encourage owner-occupant home sales.
- 3.6** Incorporate new and improved design and construction techniques.

4) Refine Internal Operations and Program Administration

- 4.1** Allow for flexibility in implementation and resource allocation.
- 4.2** Clarify program intent and goals, accounting for neighborhood conditions.
- 4.3** Rededicate staff time with full participation by multiple City departments.
- 4.4** Clearly identify data tracking variables at the outset; then collect data regularly.
- 4.5** Rework the grant application paperwork to make it more user-friendly.
- 4.6** Improve timeliness in payments to program partners and contractors.
- 4.7** Brand and celebrate progress both online and in the real world.
- 4.8** Use this FIS Evaluation as a framework for evaluating future FIS initiatives.

5) Seek New Partnerships that Leverage Additional Investment

- 5.1** Continue to pitch great Low Income Housing Tax Credit projects to the State.
- 5.2** Work with developers to foster a mix of incomes in FIS Areas.
- 5.3** Pursue new sources of funding.
- 5.4** Work with community based organizations to blend grant dollars available through non-profits with City program dollars.

The study concludes with a brief section on Next Steps that ties the recommendations to current priorities for the Warren Administration, chief among them integrating an action plan for the next phase of focused investment with the joint efforts of the Office of Innovation and Strategic Initiatives (OISI) and the Rochester-Monroe Anti-Poverty Initiative (R-MAPI) to increase human capital and decrease chronic joblessness, and the recently launched process to update the City's comprehensive plan, *Rochester 4.0 – Our Neighborhoods, Our Future*.

TABLE OF CONTENTS

INTRODUCTION	1	APPENDICES (UNDER SEPARATE COVER)
FIS Overview	2	I) 2008 Housing Policy
Purpose of Evaluation	9	II) Glossary of Acronyms
Evaluation Methodology	10	III) Public Process
OUTCOMES & IMPACT	19	IV) FIS at Work in Marketview Heights
FIS Finance	20	V) FIS at Work in Beechwood
FIS Impact	28	VI) FIS at Work in Dewey Driving Park
RECOMMENDATIONS	47	VII) FIS at Work in Jefferson
Protect the Investment by Continuing to Target Efforts in the First Four FIS Areas	48	VIII) Mapping Change in the Control Areas
Select an Area(s) for future Focused Investment	51	IX) Comparison Cities
Integrate New Program Components	52	
Refine Internal Operations + Program Administration	53	
Seek Partnerships that Leverage Additional Investment	56	
Next Steps	57	

LIST OF FIGURES

INTRODUCTION

Figure 1. FIS Area Base Maps	5
Figure 2. Data Indicators that Informed 2006 Neighborhood Classifications	6
Figure 3. 2006 Neighborhood Classifications	7
Figure 4. 2006 Neighborhood Classifications of the Four FIS Areas	8
Figure 5. Control Area Maps (highlighting the reasons for their selection)	12
Figure 6. 2006 Neighborhood Classifications of the FIS Areas and Control Areas	14
Figure 7. Survey Participant Breakdown	15
Figure 8. Survey Results Reflecting Who Took the Survey	16
Figure 9. Survey Results Reflecting How People Heard about FIS	16
Figure 10. Survey Results Reflecting Program Participation	17
Figure 11. Survey Results Reflecting Program Understanding	17
Figure 12. Survey Results Reflecting Ongoing Concerns	17
Figure 13. Survey Results Reflecting on FIS Impact	18

OUTCOMES AND IMPACT

Figure 14. FIS Funding Sources (2007-08 through 2013-14)	21
Figure 15. Investment Leverage Ratios	22
Figure 16. Generalized Sources of Investment Leveraged by FIS	23
Figure 17. Leveraged Investment per FIS Area	24
Figure 18. Detail on Sources of Leveraged Funding	25
Figure 19. FIS Program Dollars Spent per FIS Area	26
Figure 20. FIS Funding by Use and Area	27
Figure 21. FIS Residential Rehabs by Housing Tenure	27
Figure 22. FIS Area Land Use Composition, 2008-2016	29
Figure 23. Change in Building Condition, 2008-2016	31
Figure 24. Change in Development Activity, 2008-2015	32
Figure 25. Change in Building Condition, 2008-2016	33
Figure 26. Change in Assessed Residential Value (for single- and two-family homes), 2006-2016	35
Figure 27. Change in Residential Sale Price (for single- and two-family homes), 2007-2015	36
Figure 28. Change in Percent Owner-Occupied, 2000-2015	37
Figure 29. Change in Rates of Crime and Calls for Service, 2008-2015	39
Figure 30. Code Data by Type of Violation, 2008-2015	40
Figure 31. Change in Rate of Code Violations, 2008-2015	41
Figure 32. Population and Household Change, 2000-2015	42
Figure 33. Percent of Families Living in Poverty	42
Figure 34. All Respondents/Impact of FIS on Quality of Life	43
Figure 35. Program Participants/Impact of FIS on Quality of Life	43
Figure 36. Evaluation of Progress Against All Data Indicators	44
Figure 37. Summary of Progress Toward FIS Goals by FIS Area	46

RECOMMENDATIONS

Figure 38. Proposed Urban Renewal District Redevelopment Plan	49
Figure 39. Proposed Dewey Driving Park Realignment	49



**FIS EVALUATION
INTRODUCTION**

FIS OVERVIEW

- i. FIS Area Selection
- ii. National Context during the FIS Years

PURPOSE OF THE EVALUATION

METHODOLOGY

- i. Data Inputs + Comparative Analysis
- ii. Outreach + Public Input

FIS OVERVIEW

Rochester's Focused Investment Strategy (FIS) marked an important shift in the City's approach to community development. Following decades of population loss and a prolonged effort to stem neighborhood decline by distributing revitalization efforts and dollars across Rochester, the City decided to instead target scarce community development resources in four distinct pockets of Rochester – one in each of the City's four quadrants. The City decided to target scarce resources and complement its investment of financial resources with a new emphasis on inter-departmental coordination and a renewed commitment to community collaboration. Through FIS, the City intended to maximize its impact and effect marked and measurable change in neighborhood and market conditions within a short period of time – just three to five years.

The Focused Investment Strategy neighborhood revitalization program became the implementation tool for the City's 2008 policy decision to target resources geographically (see Appendix I). Beginning in Fiscal Year 2007-08, Rochester committed 20 percent of its federal Community Development Block Grant (CDBG) allocation, annually for five years, for use within four chosen FIS Areas. Ultimately, the program ran for seven years, with the final allocation of FIS dollars in Fiscal Year 2013-14 and activity continuing through Program Year 2015-16. Over these seven FIS years, the City complemented \$9.1 million in federal CDBG dollars committed to FIS with \$8 million of City Cash Capital, City Development Funds, and bonds for a total program investment of \$17.1 million across the four FIS Areas. During that same time period, the City continued to invest the other 80 percent of its CDBG dollars (\$36.4 million) in non-FIS areas of Rochester.

Guided by program funding source restrictions – in large part CDBG and City Cash Capital – the FIS program design emphasized physical improvements in the built environment. The primary FIS tools were a blend of demolition, code enforcement, exterior residential rehabilitation, limited infill and new construction, façade improvements, business loans, greening, streetscape beautification, and infrastructure investments, all informed by community engagement and dialogue within each FIS Area. Community involvement in FIS engaged residents using the planned physical improvements as a catalyst, and over time built toward empowerment with program elements that positioned

neighbors as active drivers of neighborhood change. The multi-faceted program working on housing, economic development, capital projects, enforcement, and community engagement required a comprehensive and coordinated approach with participation from multiple City departments as well as community partners.

The stated goals of the Focused Investment Strategy were to:

- Improve local housing markets and neighborhood vitality through strategic investment of funds
- Increase property values, thereby growing the tax base to increase the dollars available to provide public services
- Maximize the impact of federal funds by targeting City resources and leveraging additional community development investments from the State and private sector
- Empower community members through organizing, neighborhood planning, and funds for implementing plans
- Maximize the number of low and moderate-income residents who benefit from the housing policy initiatives beyond the direct recipients

The expected outcomes of FIS included visible improvements in housing conditions, strengthened real estate markets, improved public perceptions, a sense of connectedness among neighbors, and increased ability to leverage funds and encourage private market activity. The hope was that the physical improvements would have “ripple effects,” in turn boosting neighborhood pride, morale, and stewardship, and reducing crime, among other quality of life implications.



“FIS involves residents and investor-owners to upgrade property appearances. It’s contagious. You want to upgrade your property because you see others are investing too. Less risk, greater impact.”

“The FIS program makes targeted improvements to areas where neighbors are asking for positive additions and modifications to their communities. These changes improve the confidence that people have in their neighborhoods, which increases the desire to keep it clean, safe, and productive.”

**- FIS EVALUATION SURVEY RESPONDENTS,
describing FIS in their own words**

FIS Area Selection

The first step for the FIS program was to identify the pockets of the City that would receive focused investment. From conception, Rochester's FIS was modeled after Richmond, Virginia's "Neighborhoods in Bloom" program, which funneled community development resources into six neighborhoods sequentially over six years. Rochester's FIS program opted to operate in four areas concurrently, one in each quadrant of the city.

NEIGHBORHOODS IN BLOOM

Rochester's Focused Investment Strategy was inspired by and modeled after Richmond, Virginia's Neighborhoods in Bloom program. Richmond designated six neighborhoods for targeted investment of two-thirds of its CDBG and HOME dollars over six years to make tangible improvements.

Richmond measured an increase in sale price for single family homes in these areas that was 10 percent greater than the city average, and even higher than the change measured in similar distressed neighborhoods. The program was most robust from 1999 through 2004, prior to the Great Recession of 2008; since 2002, funding for the program has declined by 68 percent and data tracking has waned.

In 2008, the Department of Neighborhood and Business Development (NBD) analyzed 18 areas across the city, evaluating their potential for revitalization through FIS. In that study, the City spelled out the following criteria for area selection:

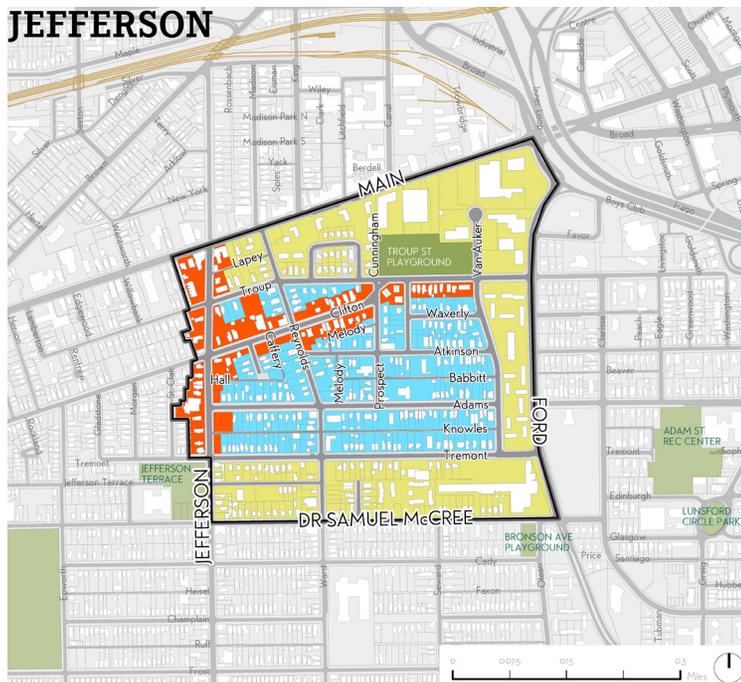
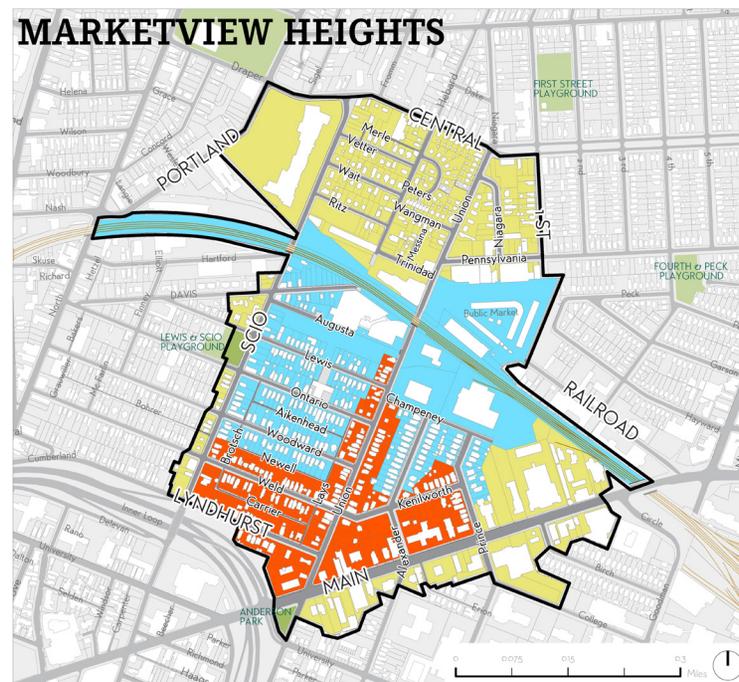
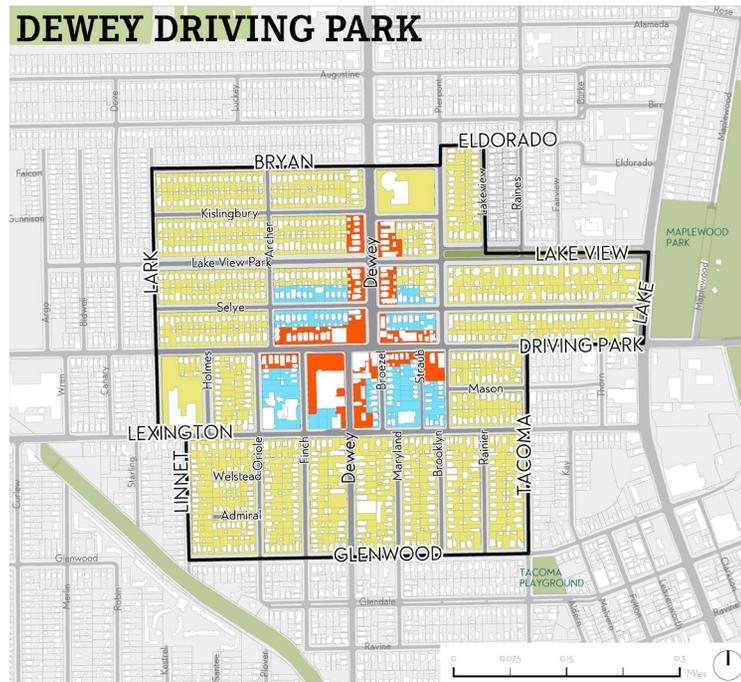
- **Existing assets** – the area must have the presence of stable institutions, parks or green space, employers, vacant land, commercial areas, architecturally significant buildings, social capital, or planned catalytic investments around which to build; adjacency to stable neighborhoods or significant investment was also considered an asset

- **Transitional neighborhood** – the area should be on the cusp of change, either for the better or for the worse, such that investments through FIS can either accelerate positive change and growth or stave off decline through stabilization; the area must need public-sector assistance to jump-start or stabilize the market
- **Opportunities to leverage investment** – the area should be ripe for partnerships, with candidate sites for larger scale infrastructure or redevelopment investments that will benefit the local population
- **Engaged community** – the area should demonstrate neighborhood-based capacity and a commitment among residents to support planning and implementation activities
- **Visibility/Impact** – investments in the area should spur sustained private market activity, retain unique characteristics, or contribute to destinations (or the approach to destinations) in the city or region

After analysis of the FIS candidate areas, City staff, working with City Council, selected the following four FIS areas:

- **Northeast Quadrant:** Marketview Heights FIS Area in South Marketview Heights, close to Center City Rochester and the Rochester Public Market
- **Southeast Quadrant:** Beechwood FIS Area in the Beechwood neighborhood, following the Webster Avenue corridor to the new \$27 million Ryan R-Center, a state-of-the-art community facility also home to School #33 and the Sully Branch Library
- **Northwest Quadrant:** Dewey Driving Park FIS Area, where Maplewood meets Edgerton and both neighborhoods are bisected by the Dewey Avenue commercial corridor
- **Southwest Quadrant:** Jefferson FIS Area, just south of West Main Street and the Anthony Square Apartments

Figure 1. FIS Area Base Maps



Within each FIS Area, there was a Priority Area (red), where the City targeted the first phase of investments before moving on to blocks in the larger FIS Area (blue). The surrounding Impact Area (gold) did not, for the most part, receive investments through FIS, though the City hoped investment activity within the FIS boundaries would have ripple effects, spurring positive change within the broader Impact Areas.

- FIS Zone
- Priority Area
 - FIS Area
 - Impact Area
 - Boundary
 - Park

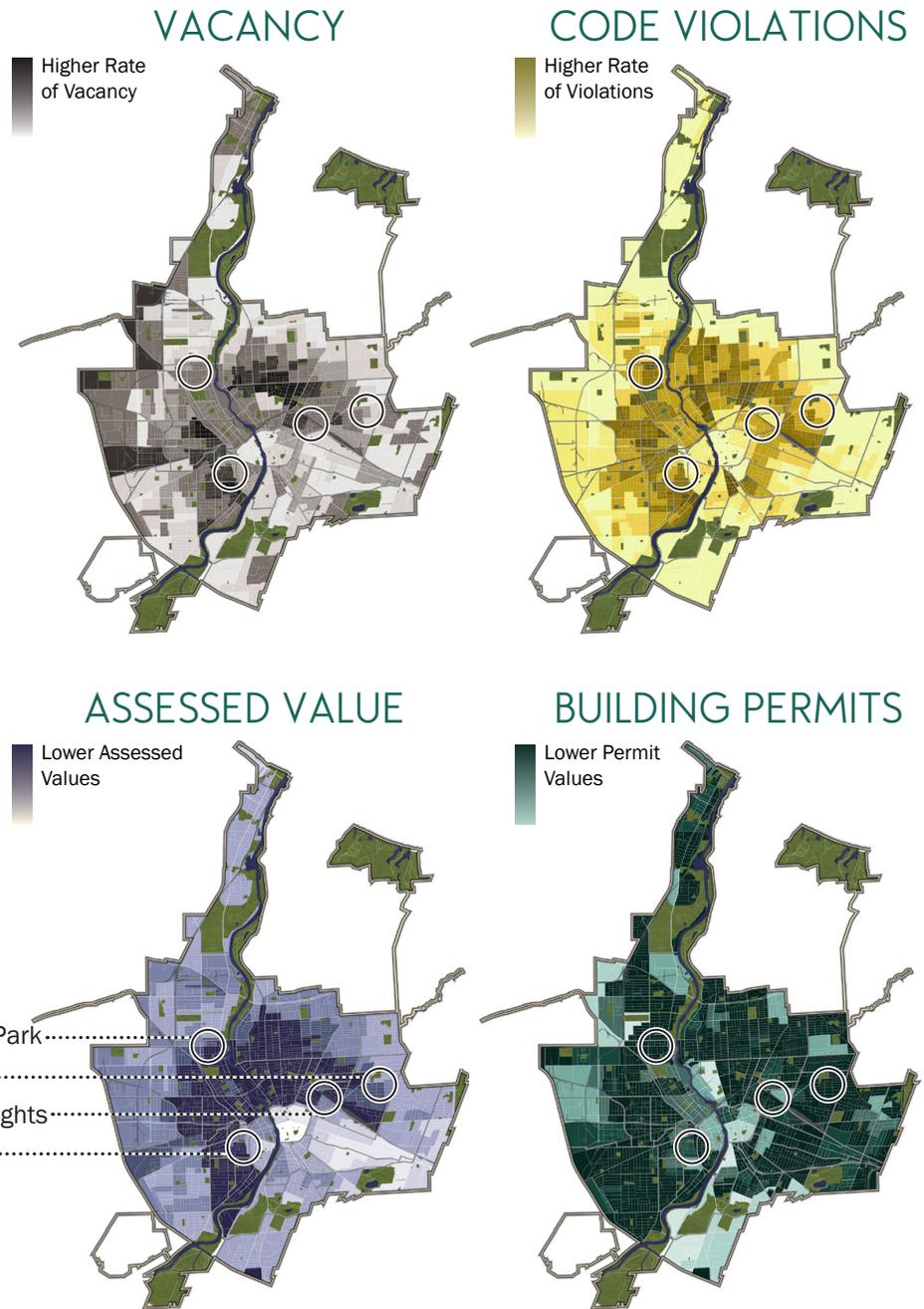
Figure 2. Data Indicators that Informed 2006 Neighborhood Classifications

Source: 2007 Citywide Housing Market Study

While each of the chosen FIS areas, had assets upon which to build a strategic community development program, their existing conditions were in fact much more distressed and challenging than those in truly transitional neighborhoods.

According to the 2006 Neighborhood Classifications published in the 2007 *Citywide Housing Market Study*, which synthesized vacancy, code violations, median income, homeownership, assessed value, building permits, violent crime, and property crime to score block conditions on a scale of exceptional, stable, transitional high, transitional low, depreciated, and distressed, the four FIS areas each had sizable areas deemed depreciated, and in some cases distressed. (For greater detail, see Figure 4 on page 8.)

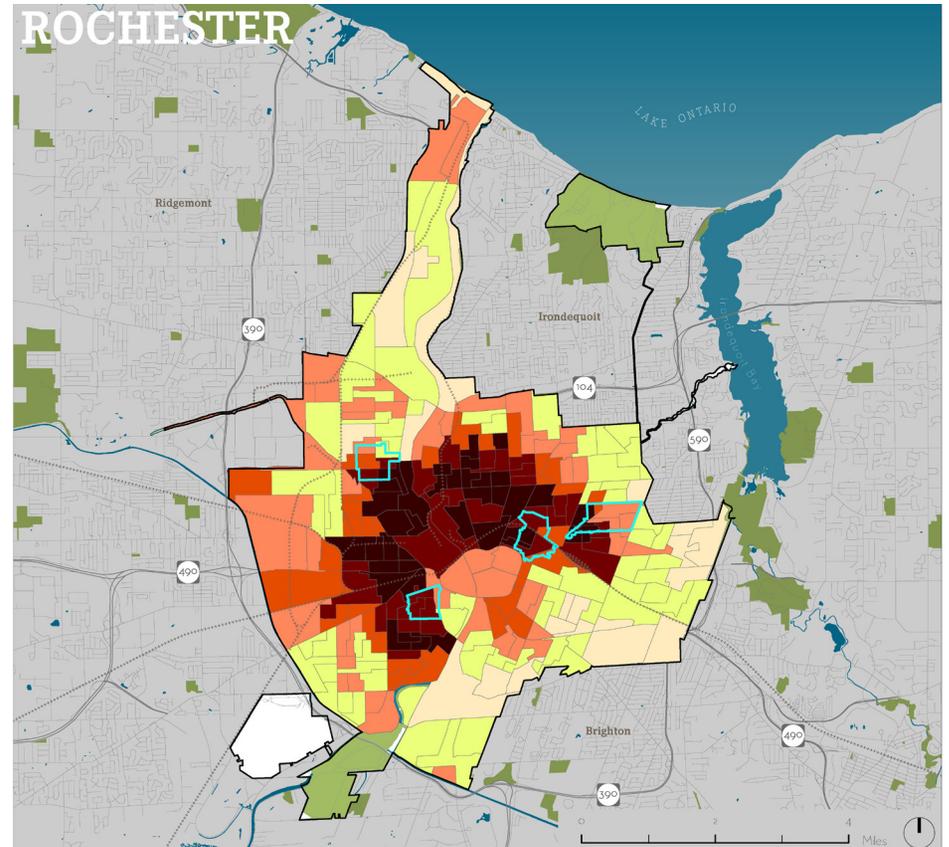
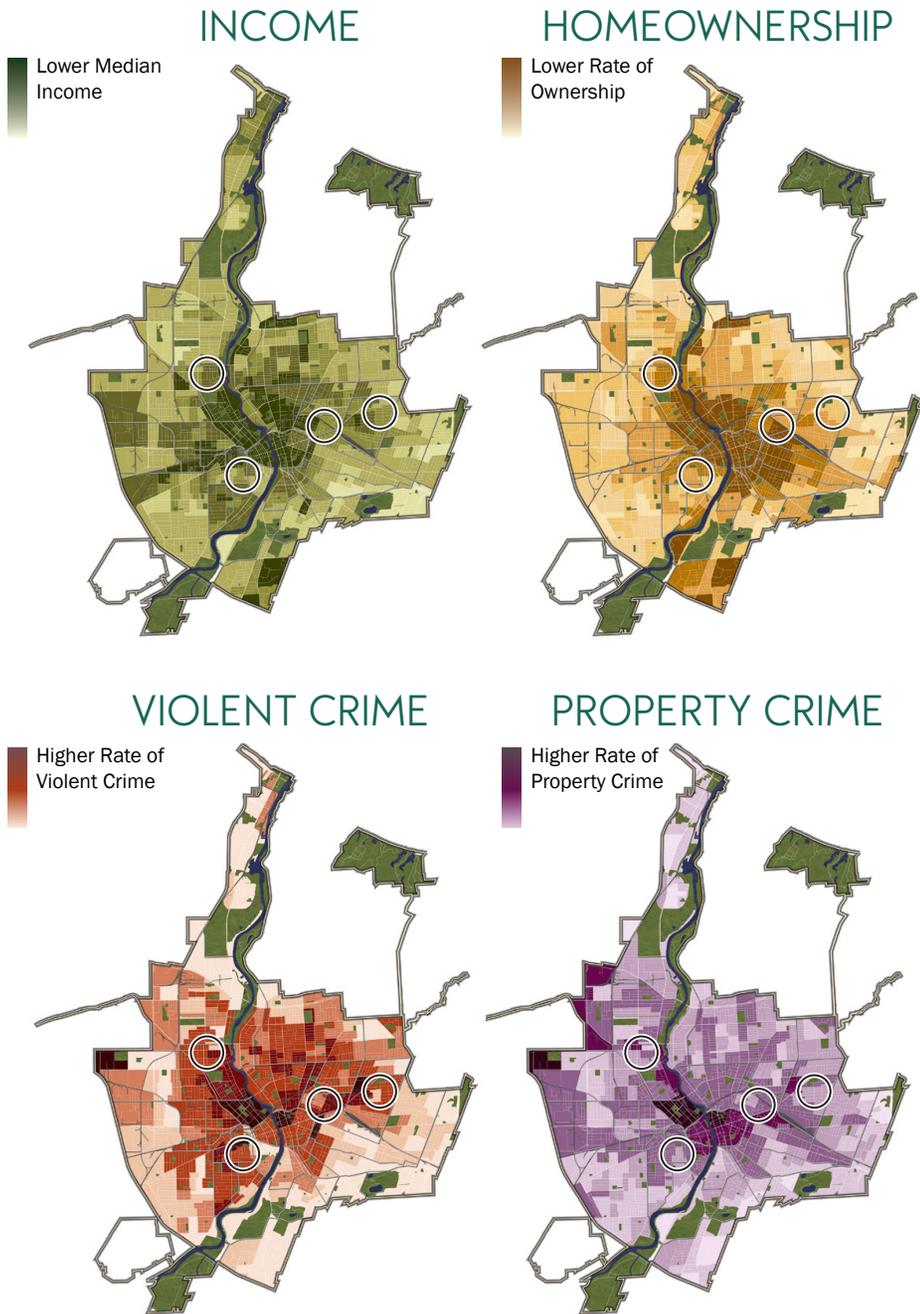
At the outset of the program, the City set the overarching goals of increasing neighborhood vitality and strengthening the real estate markets in transitional neighborhoods within an accelerated timeline of just three to five years. **The hard realities presented by existing conditions in the four FIS areas meant that neighborhood revitalization would likely require concerted efforts and sustained investments over ten to fifteen years – possibly longer – and that rather than striving for vibrancy and growth, the early years of FIS would center squarely on stabilization.** Though the stated program goals and program horizon were never adjusted to reflect the baseline conditions in the four FIS areas, this evaluation takes into account the need-based and temporal realities of turning around a distressed or depreciated neighborhood.



“Four areas were a lot to take on in, both in terms of resources and staff. It was a stretch given the scale of the challenges in each area too.”
- FIS Administrator

Figure 3. 2006 Neighborhood Classifications

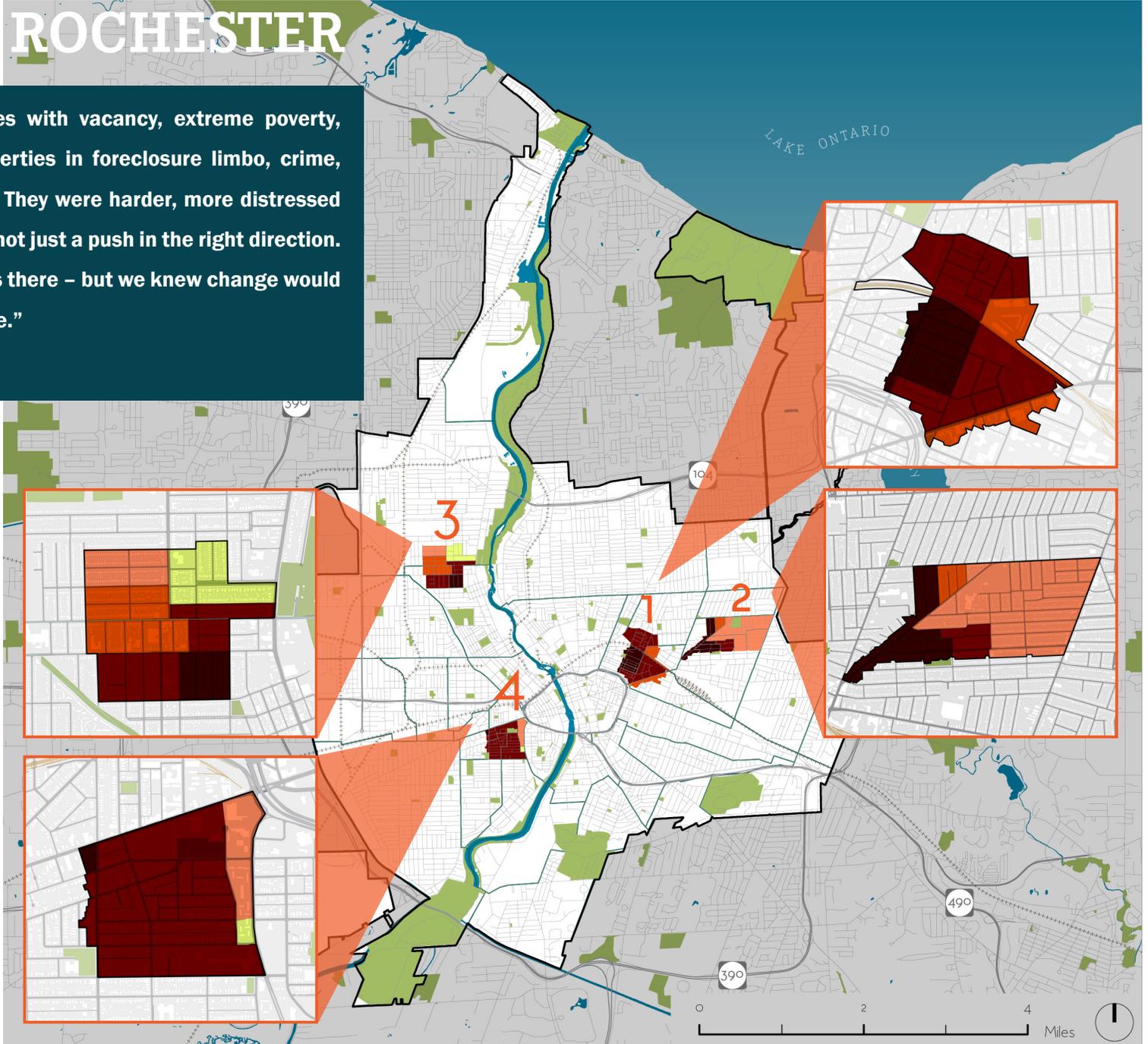
Source: 2007 Citywide Housing Market Study



- Exceptional
- Stable
- Transitional High
- Transitional Low
- Depreciated
- Distressed
- FIS Area
- Park
- Water

FOR MORE INFORMATION ON THE 2007 CITYWIDE HOUSING MARKET STUDY, GO TO:
<http://www.cityofrochester.gov/housingmarketstudy/>

Figure 4. 2006 Neighborhood Classifications of the Four FIS Areas



ROCHESTER

“The areas all had issues with vacancy, extreme poverty, absentee landlords, properties in foreclosure limbo, crime, and lack of engagement. They were harder, more distressed and needed everything – not just a push in the right direction. That’s fine – the need was there – but we knew change would take longer and cost more.”

- FIS Administrator

- FIS Area

- 1 Marketview Heights
- 2 Beechwood
- 3 Dewey Driving Park
- 4 Jefferson

- 2006: Neighborhood Classifications
-
- Exceptional
 - Stable
 - Transitional High
 - Transitional Low
 - Depreciated
 - Distressed

National Context during the FIS Years

This evaluation of the FIS program must also take into account the broader national context during the FIS years. FIS implementation commenced alongside the nationwide economic recession that set in in 2008, bringing with it restricted access to credit both for homebuyers and developers, increased rates of foreclosure and unemployment, and constricting neighborhood revitalization resources at the federal and local levels. For a program built largely around investments in housing – façade renovations, vacant property rehab, and limited new construction – new FIS housing products came online in a much weakened market with fewer qualifying buyers, decreasing sale prices, and limited private market development activity.

During the FIS years, the City’s allocation of CDBG dollars fluctuated, but fell overall by 14 percent from \$9.5 million in Fiscal Year 2008-09 to \$8.2 million in Fiscal Year 2013-14. To compensate for dwindling community development resources, partner agencies at the federal and state levels placed new emphasis on targeted investment. Rochester’s FIS positioned it well not only to compete for scarce resources, but to put those dollars to good use.

Indeed, during the seven years of the FIS program, the City and its community development partners made great strides in each of the FIS Areas. FIS did make visible, tangible change, it did move the market, it did provide a galvanizing force that brought neighbors together as active participants in revitalization. It did all this despite the challenging existing conditions in the chosen areas – concentrated poverty, elevated rates of crime, tax and mortgage delinquency, distressed housing stock and high rehab costs, absentee owners, among other issues – which were then compounded by the effects of the national recession.

The study that follows explores the myriad ways in which Rochester’s FIS impacted the trajectory of the four FIS Areas and quality of life for those who call the FIS Areas home. Though there are many nuances, the hard data and the people whose lives were touched by FIS agree – yes, focused investment works; yes, FIS moved the needle; and yes, there is still more work to be done in each of the four FIS areas.

PURPOSE OF THE EVALUATION

This FIS Evaluation builds upon:

- The *Focused Investment Strategy Interim Progress Report* authored in 2013 by the Department of Neighborhood and Business Development that took stock of changes in each area since the program implementation began
- The *Building Conditions Status Report: A Visual Assessment of Change in Rochester’s Four Focused Investment Strategy Areas, 2008-2014* funded by Enterprise Community Partners and conducted by staff from the Greater Rochester Housing Partnership, Livable Housing Inc., and the City of Rochester, which measured physical changes based on an updated field survey

Community development initiatives are complex; they take time to implement, and the impacts of such investments take even more time to register in the datasets that can contribute to program evaluation (assessed values that reflect increased property values, for example). In calling for this 2016 *Evaluation of the Focused Investment Strategy*, the City of Rochester and Rochester City Council recognized the need to, once again, revisit and re-evaluate FIS, this time looking backward to review the program’s history and outcomes while also looking forward to consider opportunities for improving upon the FIS program.

This 2016 FIS Evaluation provides a full overview of program spending and community development activity and seeks to answer a series of questions, which together answer a larger, overarching question: ***is focusing resources and investment an effective, efficient approach to neighborhood revitalization and a strategy worth continuing?***

“Five years is not enough time. FIS was a great program – smart and strategic.

But there is still room to do more. The need is great.” - Community Partner

EVALUATION METHODOLOGY

Specifically, the study offers an assessment of FIS through the following lenses:

- **Impact on Neighborhoods** – as a place-based strategy, what are the visible, tangible changes in land use, building condition, vacancy, and blight in the FIS Areas?
- **Impact on Real Estate Markets** – as a strategy driven by resource allocation, what are the economic impacts in assessed values, sale prices, and activity? What are the impacts on homeownership and investor interest? Did the City’s geographic commitment to the FIS Areas leverage grant funding and trigger additional private development?
- **Impact on People and Communities** – as a strategy aimed at improving quality of life and empowering neighbors as agents of change, how have patterns of crime and code violations shifted over time? Who benefited from the program, how, and how do members of the public feel about FIS and its ability to revitalize neighborhoods?

After presenting the results of the program assessment, the Evaluation concludes with recommendations for increased efficiency and impact of a second phase of neighborhood revitalization through focused investment in Rochester. Importantly, the recommendations aim to align the lessons learned from analysis of the Focused Investment Strategy with key initiatives of the Warren Administration, among them the one-year old Rochester-Monroe County Anti-Poverty Initiative (R-MAPI), the new Mayor’s Office of Innovation, and *Rochester 4.0 – Our Neighborhoods, Our Future*, the recently launched update of Rochester’s comprehensive plan.

The FIS Evaluation unfolded over a five-month period, from January through May 2016, with the study divided into three phases:

- **Phase I) Research** during which the team reviewed the existing library of FIS plans and progress reports, collected information on FIS expenditures and accomplishments, conducted site visits and field surveys to observe physical conditions in the FIS Areas, amassed and analyzed quantitative data from many sources, and had numerous conversations with program administrators, participants, and other stakeholders to glean qualitative input about FIS
- **Phase II) Assessment** during which the team synthesized the data, measured change over time, and compared progress in the four FIS Areas with citywide trends and change in three control areas that did not receive targeted investment through FIS; the purpose of this phase was to determine the impacts of FIS expenditures
- **Phase III) Recommendations** during which the team culled lessons learned from the analysis and assessment of FIS and developed strategies for consideration by the City as it shapes future community development policy and makes decisions to maximize the efficacy of scarce community development resources to further neighborhood revitalization efforts

The Department of Neighborhood and Business Development (NBD) convened a City Steering Committee to oversee the development of the FIS Evaluation. The Committee included representatives from City Council, the Mayor’s Office of Innovation, the Rochester Police Department, the Department of Environmental Services, the Department of Recreation and Youth Services, and the NBD Divisions of Housing, Inspection and Compliance, Planning and Zoning, and Neighborhood Service Centers. Committee members shared their knowledge of the program and FIS Areas, acted as a sounding board for study results and recommendations, and helped shape the approach to public outreach.

**TO DOWNLOAD THE 2013
FIS INTERIM PROGRESS REPORT,
GO TO: <http://www.cityofrochester.gov/fis/>**

Data Inputs + Comparative Analysis

The 2013 Interim Progress Report tracked program accomplishments and analyzed four key measures of neighborhood health in each of the FIS areas: housing tenure, real estate sales, crime rates, and vacant buildings. Property assessment was also identified as a relevant data indicator, but a citywide reassessment did not occur until 2015-16, so this evaluation is the first to measure change in assessed value post-FIS.

This evaluation process includes a review of historic information about the Focused Investment Strategy program, including:

- All prior FIS plans, evaluations, and progress reports
- Program activity (demolition, façade improvements, residential rehab and new construction, streetscape and infrastructure improvements, gardens and green space, and community planning and capacity building efforts) as well as funding sources, dollars spent, leveraged investment, and, to the extent possible, population served

The study compares historic base-line data with data on current conditions to analyze change over time in each of the FIS areas. It should be noted that not all base-line data were available for the year the FIS program began (2008). For example, the study uses base-line assessed value data from 2006. In some cases, the data offer a longer look-back; the study considers crime trends dating back to 2005, though calculations of change in crime rates compare 2008 and 2015.

The study tracks:

- **Changes in physical conditions**, considering land use, building conditions, and vacancy, using 2008 baseline data collected at the outset of the FIS program by Enterprise Community Partners and field survey data collected by Interface Studio in 2016
- **Changes in the real estate market**, evaluating residential assessed values from 2006 and 2016, residential sales from 2007, 2011, and 2015, owner occupancy in 2006 and 2016, as well as current buyer and property owner profiles (owners versus investors, local versus long-distance)
- **Changes in quality of life issues**, comparing violent and property crime trends from 2005 through 2015, vice calls for service trends from 2010 through 2015, spatial patterns for violent and property crime in 2008 and 2015, spatial patterns of vice calls for service in 2010 and 2015, and code violations in 2008 and 2015
- **Demographic changes**, reviewing population and households; race and ethnicity; homeownership and housing units; income, unemployment, and poverty using the 2000 Census as the baseline and 2015 estimates from ESRI as a measure of current demographics.¹

This FIS Evaluation provides summary statistics for each of the FIS areas on each of the above listed data indicators. The Appendix to the study includes separate stand-alone chapters for each FIS Area, which contains all of the area-specific maps, graphs, and tables.

For FIS Area Details, see:

Appendix IV – FIS at work in Marketview Heights

Appendix V – FIS at work in Beechwood

Appendix VI – FIS at work in Dewey Driving Park

Appendix VII – FIS at work in Jefferson

¹ The FIS Area geographies are much smaller than a Census Block Group. For more accurate estimates of demographic changes, this Evaluation used a Geographic Information System software program (ESRI) to down-sample the demographic data to the FIS Area and Impact Area boundaries. The consultant team believes that the 2015 estimates provided by ESRI provide a more accurate picture of current demographics than the 5-Year American Community Survey, which is based on a survey sample.

Control Areas

To help evaluate change in the FIS areas and contextualize revitalization progress, the study also tracks change in three “Control Areas,” which did not receive FIS dollars but met the criteria to serve as controls. The consultant team worked with the City FIS Evaluation Steering Committee convened to oversee the evaluation to select control areas that are comparable in size to the four FIS areas and that were roughly comparable in existing conditions at the outset of the FIS program. There were relatively few options, and it is only coincidence that two of the three control areas are adjacent to FIS areas.

To determine existing conditions at the outset of FIS, the study again referred back to the 2006 Neighborhood Classifications, published with the 2007 *Citywide Housing Market Study*. Those neighborhood classifications were based on a synthesis of data indicators – vacancy, code violations, median income, homeownership, assessed value, building permits, violent crime, and property crime – which resulted in a scale of block conditions: exceptional, stable, transitional high, transitional low, depreciated, and distressed.

The control areas selected for the FIS Evaluation are named for key intersections within each area:

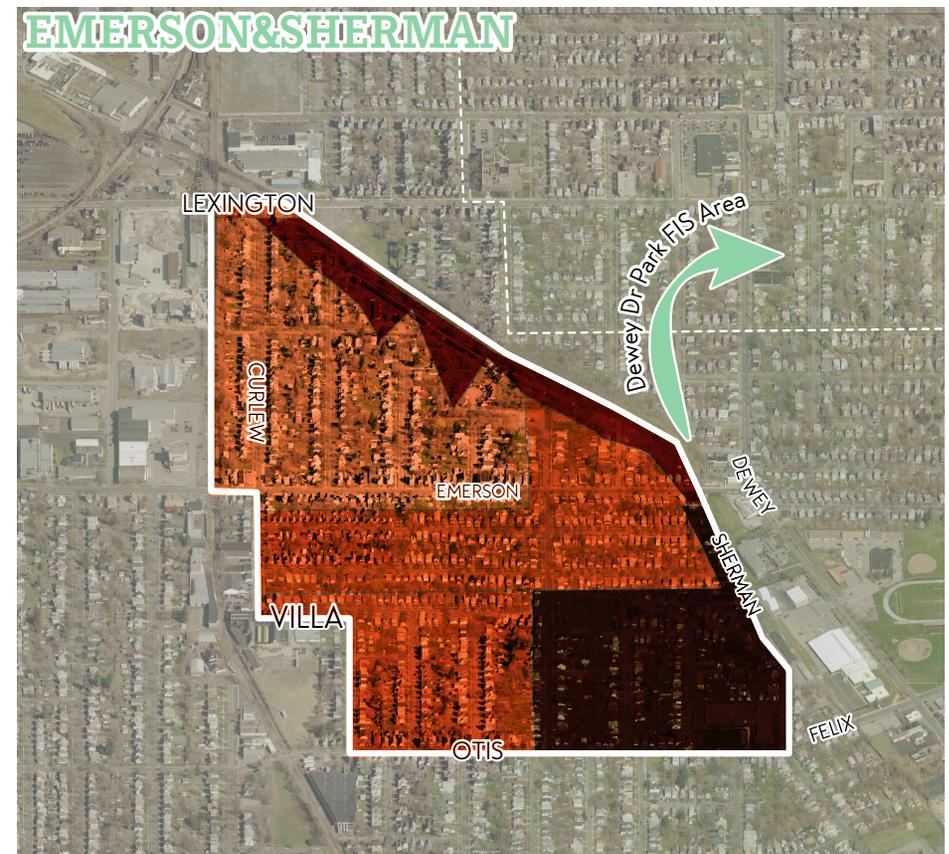
- I **Emerson & Sherman:** located adjacent and to the southwest of the Dewey Driving Park FIS Area
- II **Clifford & Clinton:** located mid-way between the Dewey Driving Park and Marketview Heights FIS areas
- III **Olean & Champlain:** located immediately to the south of the Jefferson FIS Area

This FIS Evaluation juxtaposes change over time in the FIS areas with change over time in the control areas, as well as change over time citywide. Appendix VIII to this study contains maps, graphs, and tables specific to the three control areas.

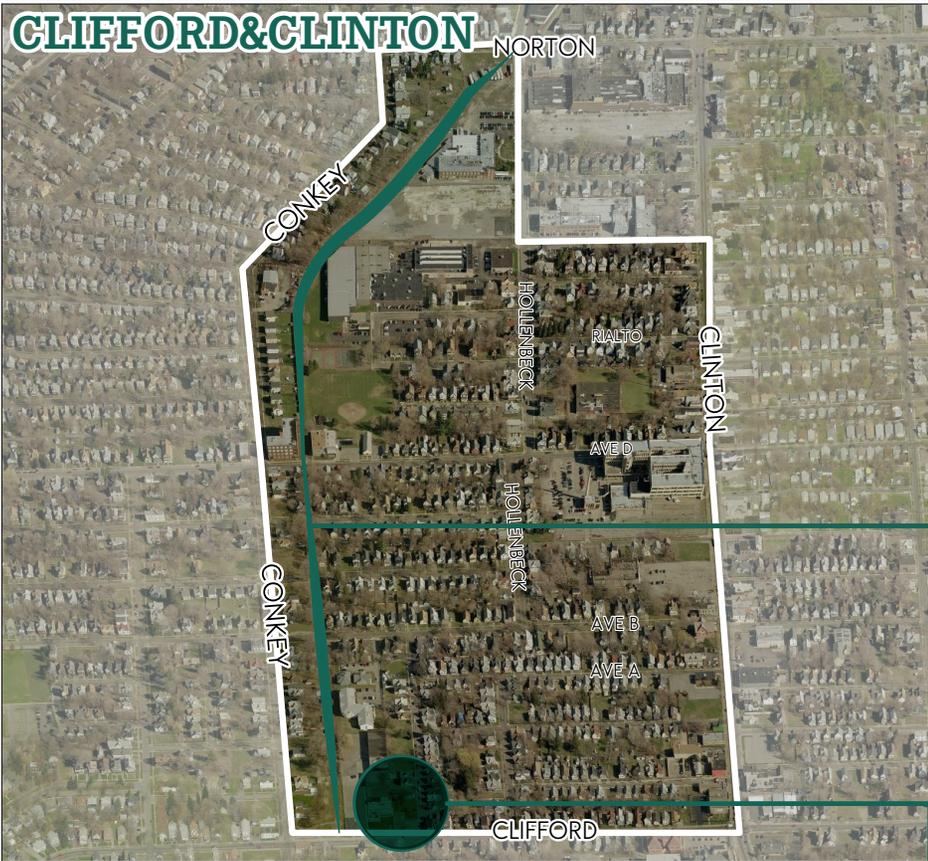
Comparison to Other Cities

The final area of research and comparison undertaken for this evaluation of FIS was a peer city review of two cities – Pittsburgh, Pennsylvania and Cleveland, Ohio – both members of a national community development and data consortium, the National Neighborhood Indicators Project. The study includes an overview of Pittsburgh and Cleveland’s approaches to data tracking and impact evaluation for community development efforts underway in each city, with more information in Appendix IX.

Figure 5. Control Area Maps (highlighting the reasons for their selection)

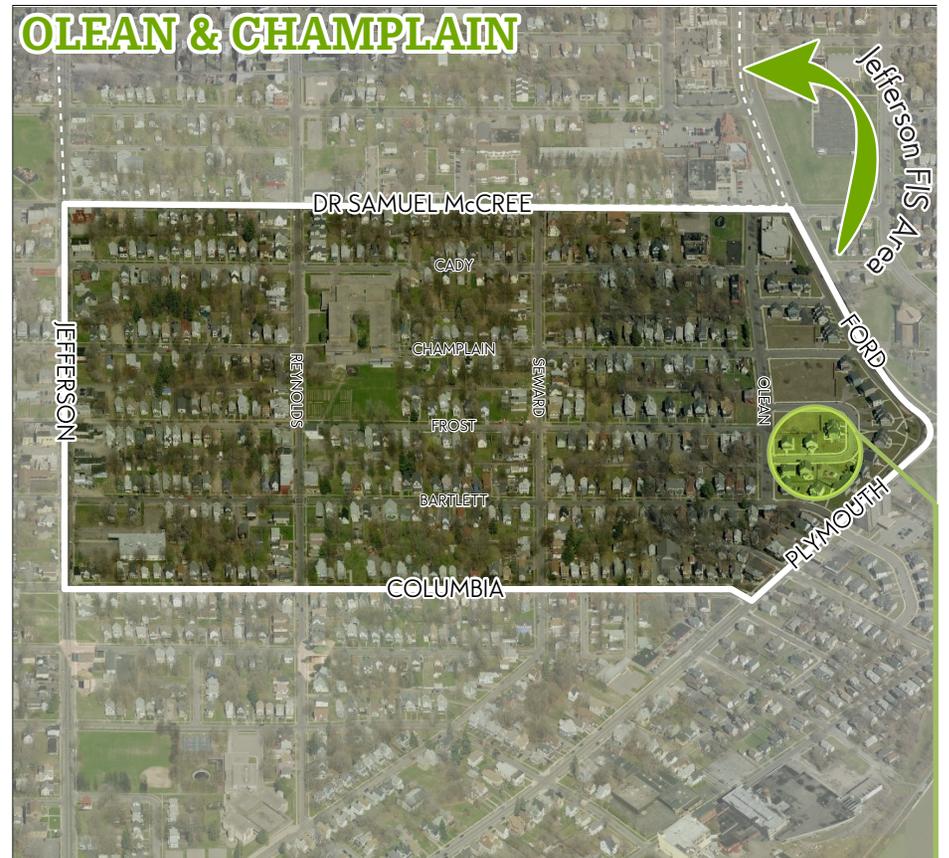


- Similar Composition to FIS areas' 2006 Housing by Numbers Study



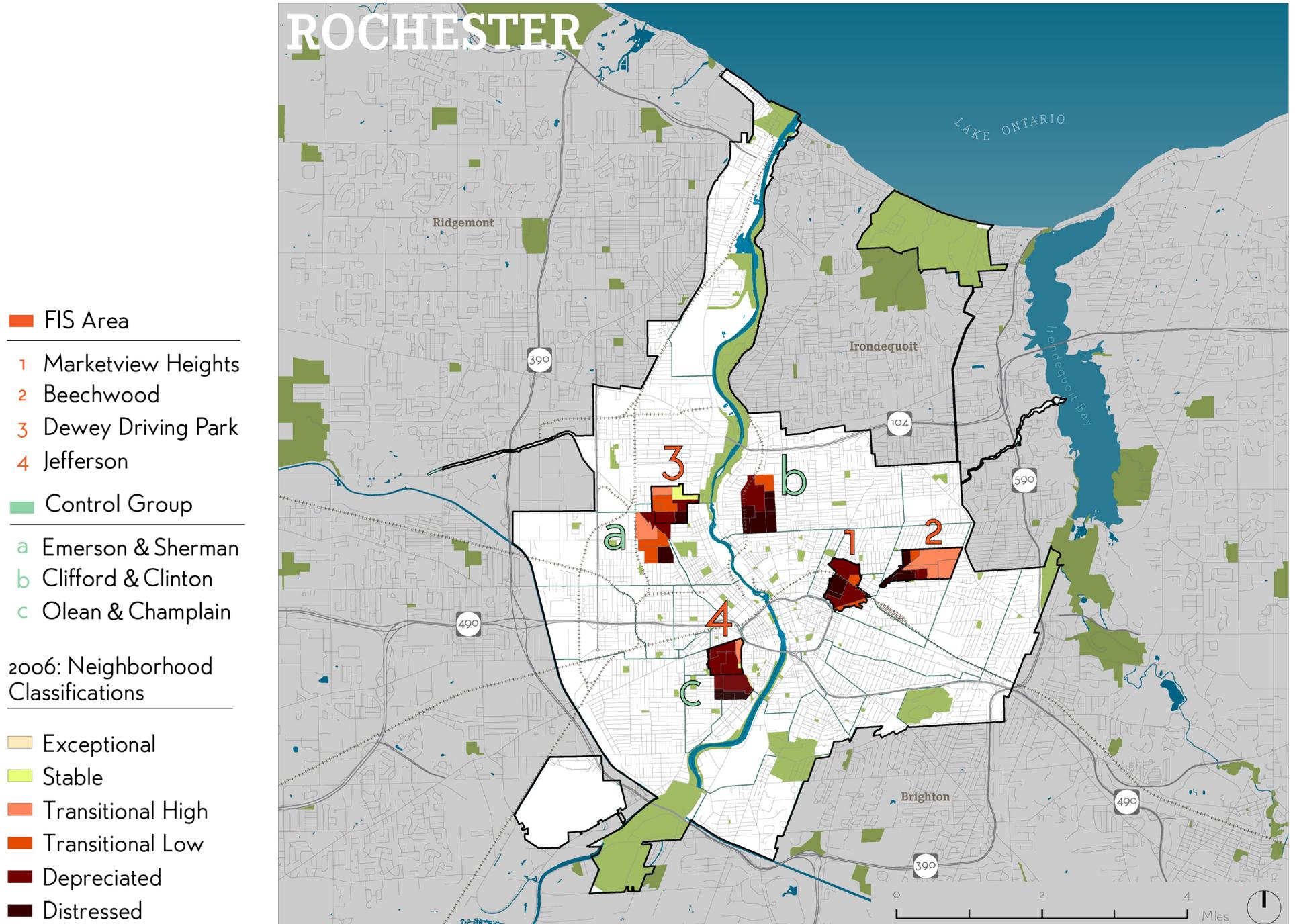
El Camino Recreation Trail

Non-Profit Investment:
El Camino Estates
(IBERO)



Carlson Commons

Figure 6. 2006 Neighborhood Classifications of the FIS Areas and Control Areas



Outreach + Public Input

To complement the quantitative research conducted over the course of the study, the consultant team also spent time talking with and listening to people who had a range of direct and indirect experiences with the FIS program. The evaluation process created opportunities for people who helped design and administer FIS to reflect on the program, its successes and shortfalls. The study also fostered opportunities for residents, community leaders, neighborhood organizations, realtors, and community development partners and practitioners to provide input on the impact of FIS at the personal level, as well as in neighborhoods, real estate markets, and the city overall.

Appendix III provides a detailed record of the public engagement process for this Evaluation. There were three ways for people to lend their time and thoughts in support of the study:

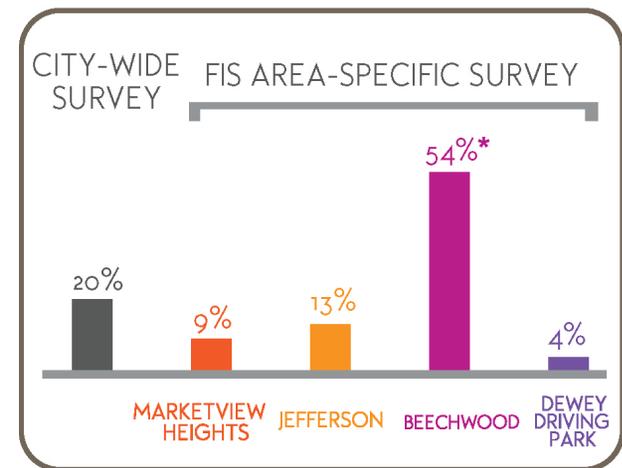
Interviews – The consultant team conducted 20 interviews with people who offered a diverse range of perspectives on the FIS program, some intimately familiar with program administration or a particular FIS area, and others able to speak from a more general program administration or citywide point-of-view. The confidential conversations covered program successes and shortfalls in terms of operations and outcomes and also sought suggestions for continued community development efforts in the FIS areas as well as the city as a whole. Appendix III contains a list of those interviewed.

Focus Groups – The team conducted two focus groups, open to the public, to share findings from the study and invite feedback. The focus groups were held at the Phillis Wheatley Community Library and the David F. Gantt Recreation Center, with representatives attending from each of the four FIS areas as well as interested neighbors from nearby areas. Appendix III contains details about the two focus groups.

Surveys – At the request of the City FIS Evaluation Steering Committee, the study team developed five versions of a public survey, one tailored to each of the four FIS areas, specifically for residents and stakeholders in an FIS Area, Impact Area or nearby, and one for respondents from elsewhere in the city and region. The surveys asked respondents about their relationship to the FIS program, changes they have observed in FIS areas, and how their quality of life has or has not been affected, among other questions.

The surveys were available online via Survey Monkey and in hardcopy at 10 locations across the city (libraries, Neighborhood Service Centers, and City Hall). Neighborhood organizations within the FIS areas also helped distribute and collect completed surveys. The survey window was open for four weeks, and the study received **278 responses**. The following pages illustrate highlights from the survey findings. All of the survey responses are documented in Appendix III and incorporated in this evaluation of the FIS program.

Figure 7. Survey Participant Breakdown

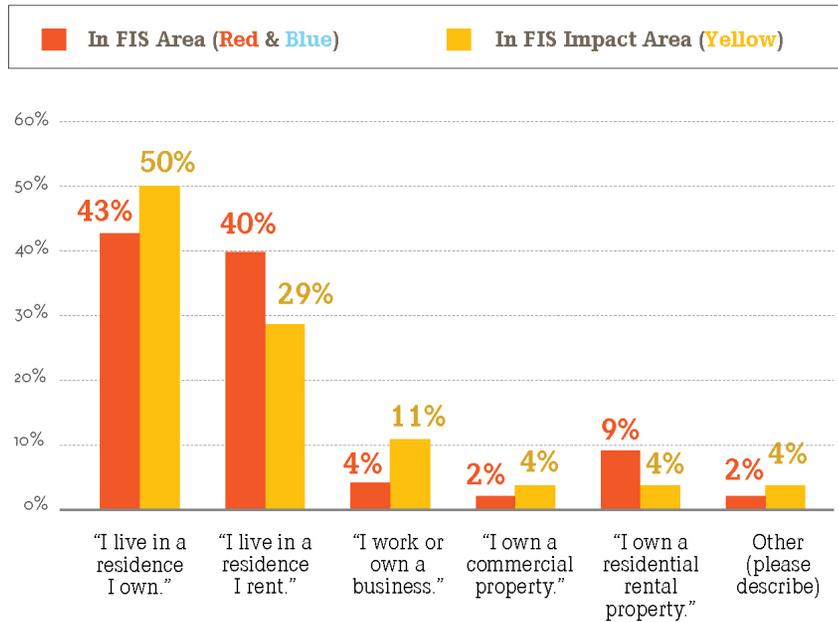


*Community partners in Beechwood undertook an ambitious door-to-door survey to collect feedback on FIS, boosting the number of completed FIS Evaluation Surveys from Beechwood stakeholders.

Of the people who took the four surveys specific to an FIS Area, 42 percent live or own property in an FIS Area. Twenty-three (23) percent live or own property in an FIS Impact Area. Twenty-five (25) percent live nearby, and 11 percent do not live or own property in and FIS Area but are familiar with an FIS Area.

Figure 8. Survey Results Reflecting Who Took the Survey

What is your relationship to your neighborhood's FIS Area?
 Statistics below represent 65% of respondents in an FIS Area or Impact Area.



Community partners and neighborhood groups in each of the four FIS areas did a great job of spreading word about the program and grant opportunities that were available.

Figure 9. Survey Results Reflecting How People Heard about FIS

How did you find out about the FIS program and the grant opportunities that were available? Check all that apply.

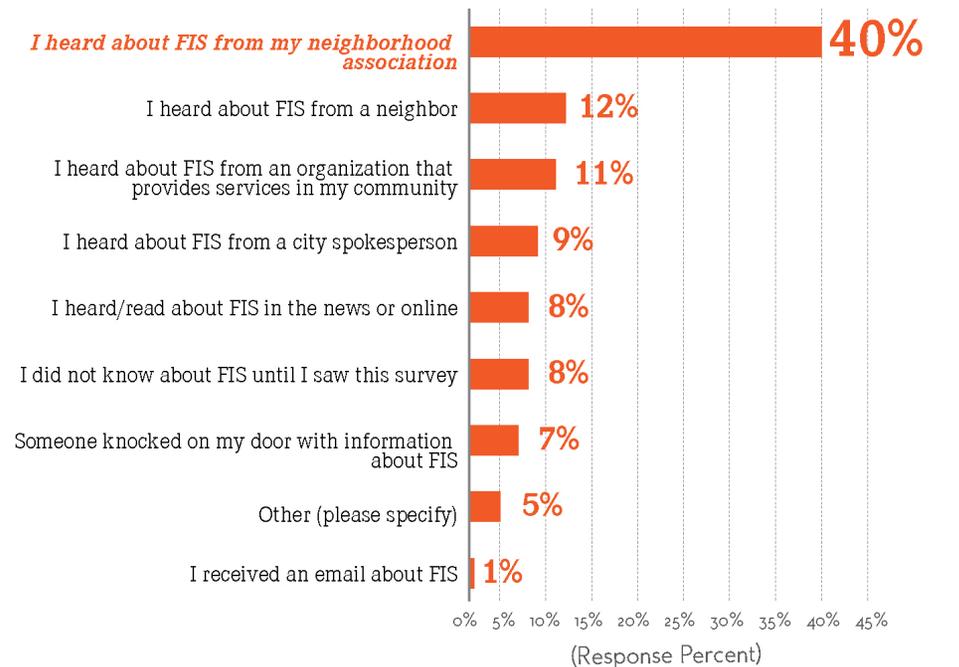


Figure 10. Survey Results Reflecting Program Participation

Did you receive an FIS grant personally or participate in a project funded by FIS for the community?

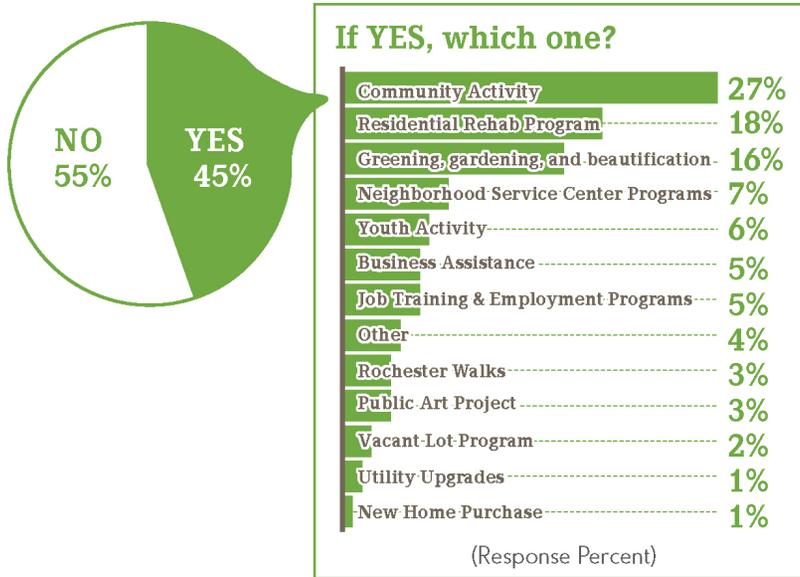
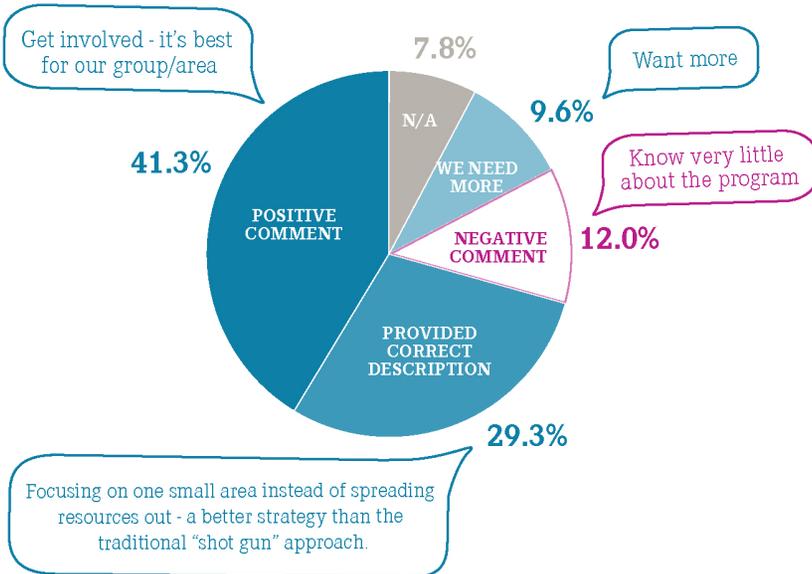


Figure 11. Survey Results Reflecting Program Understanding

If you were to describe the FIS program to a new neighbor, what would you say?

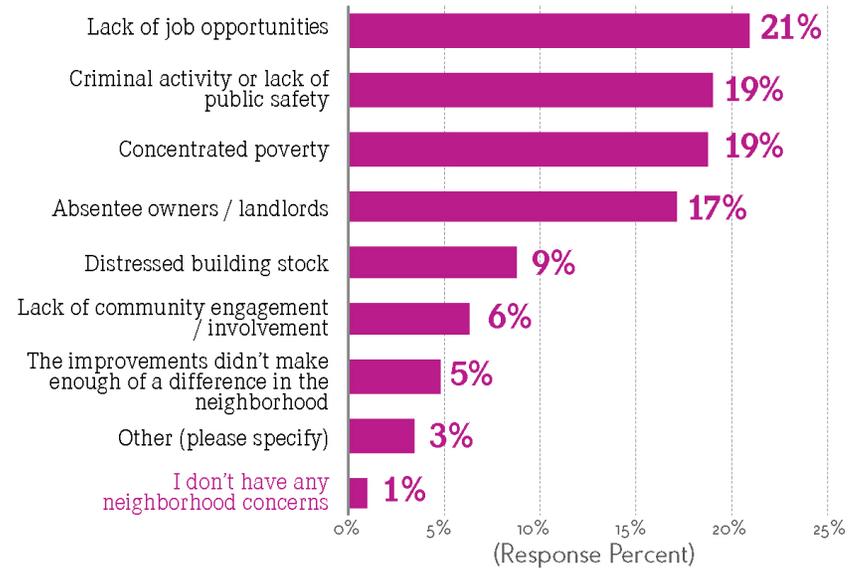


99.4% OF RESPONDENTS WHO RECEIVED AN FIS GRANT SAID FIS IMPROVED THEIR QUALITY OF LIFE

Ninety (90) percent of ALL survey respondents agreed – FIS improved their quality of life. For details on how, see Figures 34 and 35 on page 43. However, survey respondents also noted ongoing neighborhood concerns that FIS did not address.

Figure 12. Survey Results Reflecting Ongoing Concerns

I still have neighborhood concerns that FIS did not address, such as... Check all that apply.



SELECT GENERAL COMMENTS FROM SURVEY RESPONDENTS

“It’s clear that ‘focusing’ produced more visible impact and hope than would have happened with scattered-site projects.”

“In retrospect, 8 years really isn’t enough time to create the widespread systemic changes needed when it took Rochester decades to get where we are now. The FIS strategy overall is a great strategy, but again, more time and money is needed to make it truly successful.”

“Many things look better but there are still many to go... and although those that were done look better, how long will it last? What’s the education or information to keep it up and not get stuck in the same situation 10, 15 years from now?”

SURVEY RESPONDENTS ON PROGRAM SUCCESSES

“There is a visible positive change in property appearance. You can tell something good is happening here as you drive through.”

“Neighborhood pride - something is really being done!”

“Neighbors working together”

“Brought diversity, creativity, support, and freedom of expression together to create a win-win for the neighborhood and our City!”

SURVEY RESPONDENTS ON PROGRAM SHORTFALLS

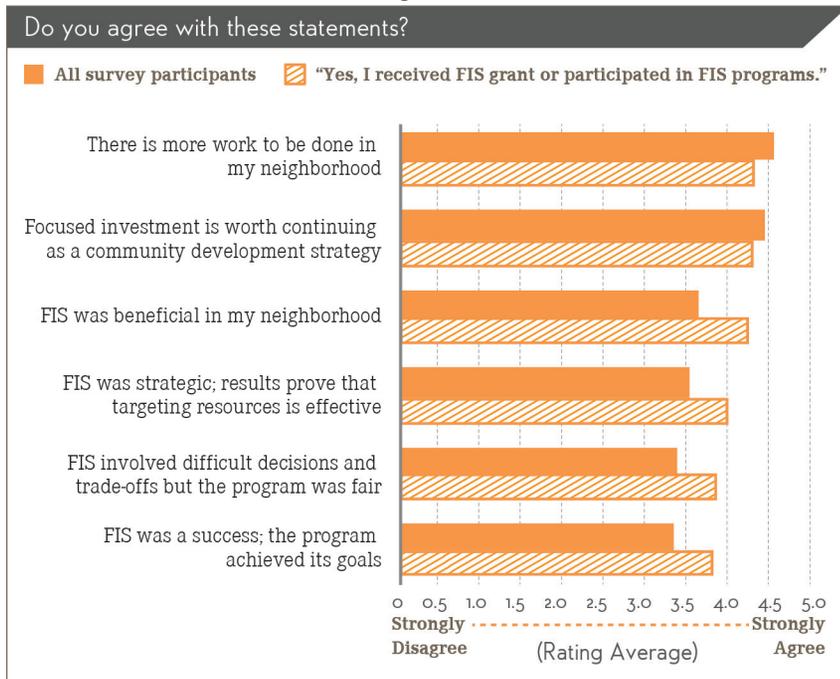
“The program should only be focused on owners not rental property. Landlords should be forced to make their own investments to bring their property up to code.”

“Need more publicity on this; I work in an FIS area, and I was unaware of eligibility or purpose.”

“It is taking too long to create meaningful change, especially with problematic convenience stores and slum lords.”

“It doesn’t fully address the underlying issues that lead to blight; could be enhanced by addition / coordination of programs and services that deal with the social issues, workforce development; trainings on being a responsible landlord/homeowner, etc.”

Figure 13. Survey Results Reflecting on FIS Impact



All in all, survey respondents believe there is more work to be done in the neighborhoods where they live, and that focused investment is a community development strategy worth continuing.



FIS EVALUATION
OUTCOMES
+
IMPACT

FIS FINANCE

- i. Program Expenditures Analysis
- ii. Leveraged Investment
- iii. Use of FIS Dollars

FIS IMPACT

- i. Impact on Physical Neighborhood Conditions
- ii. Impact on Real Estate Markets
- iii. Impact on People + Communities

FIS FINANCE

Program Expenditures Analysis

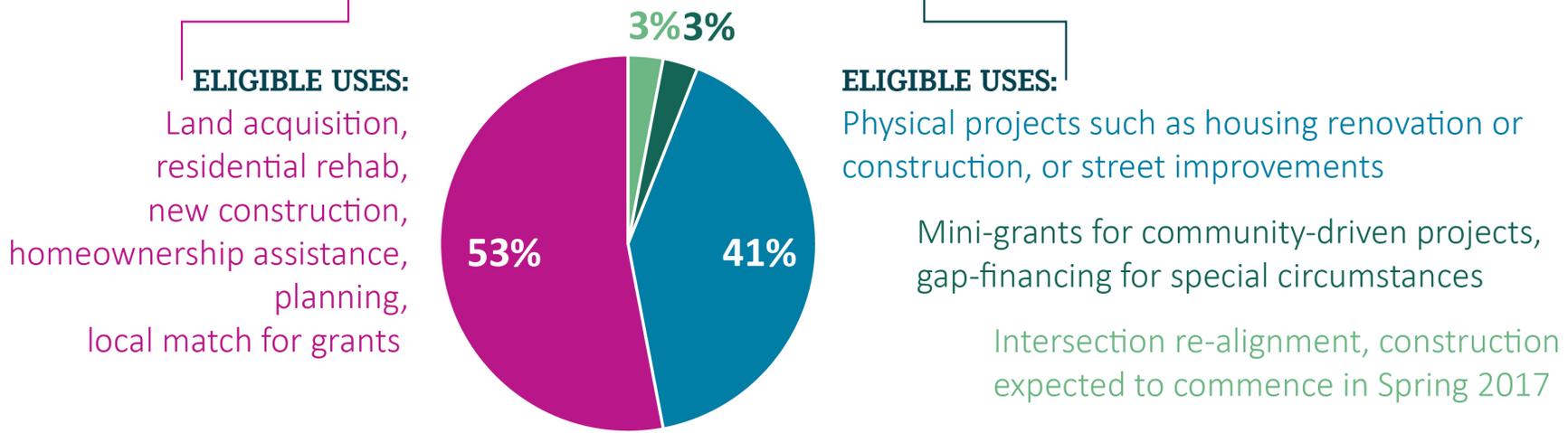
In the seven years between Fiscal Year 2007-08 and Fiscal Year 2013-14, the City of Rochester committed over \$17.1 million to its Focused Investment Strategy. More than half (53 percent) of the total FIS funding was from the City's allocation of federal Community Development Block Grants (CDBG). The \$9.1 million in CDBG dollars spent over the course of the program represented 20 percent of the City's total CDBG allocation – dollars that were dedicated to focused investment within the FIS Areas, leaving the balance (80 percent of CDBG resources) for investments elsewhere in the City.

The balance of program funding for FIS (47 percent) came from the City's Cash Capital (\$7 million), City Development Funds (\$470,500), and Bonds (\$500,000). The bonds were not spent during the FIS program years due to the absence of projects that would accommodate timing and funding restrictions. This blend of federal and city resources was critical to supporting FIS's multi-faceted approach to community development work.

CDBG dollars are restricted to a range of eligible uses, among them land acquisition, rehabilitation, residential new construction, homeownership assistance, or planning; CDBG resources may also be used as the local match for other grant programs. The City's Cash Capital must be spent on physical projects such as housing or street improvements. The City Development Funds – a diminishing pool of dollars to be used most judiciously – are the most flexible, and were put to use for special FIS projects and community mini-grants that were not based in brick and mortar. The one key limitation of the funding in place for FIS was that the City was unable to fund a robust program to build citizen engagement and community capacity; instead, the City relied on existing or emerging community group infrastructure.

Figure 14. FIS Funding Sources (2007-08 through 2013-14)

SOURCE	CDBG	CASH CAPITAL	CITY DEV FUNDS	BONDS	TOTAL
	\$9,137,799	\$7,007,982	\$470,593	\$500,000	\$17,116,374



ELIGIBLE USES:
 Land acquisition, residential rehab, new construction, homeownership assistance, planning, local match for grants

ELIGIBLE USES:
 Physical projects such as housing renovation or construction, or street improvements
 Mini-grants for community-driven projects, gap-financing for special circumstances
 Intersection re-alignment, construction expected to commence in Spring 2017

53% Federal / 47% City Resources

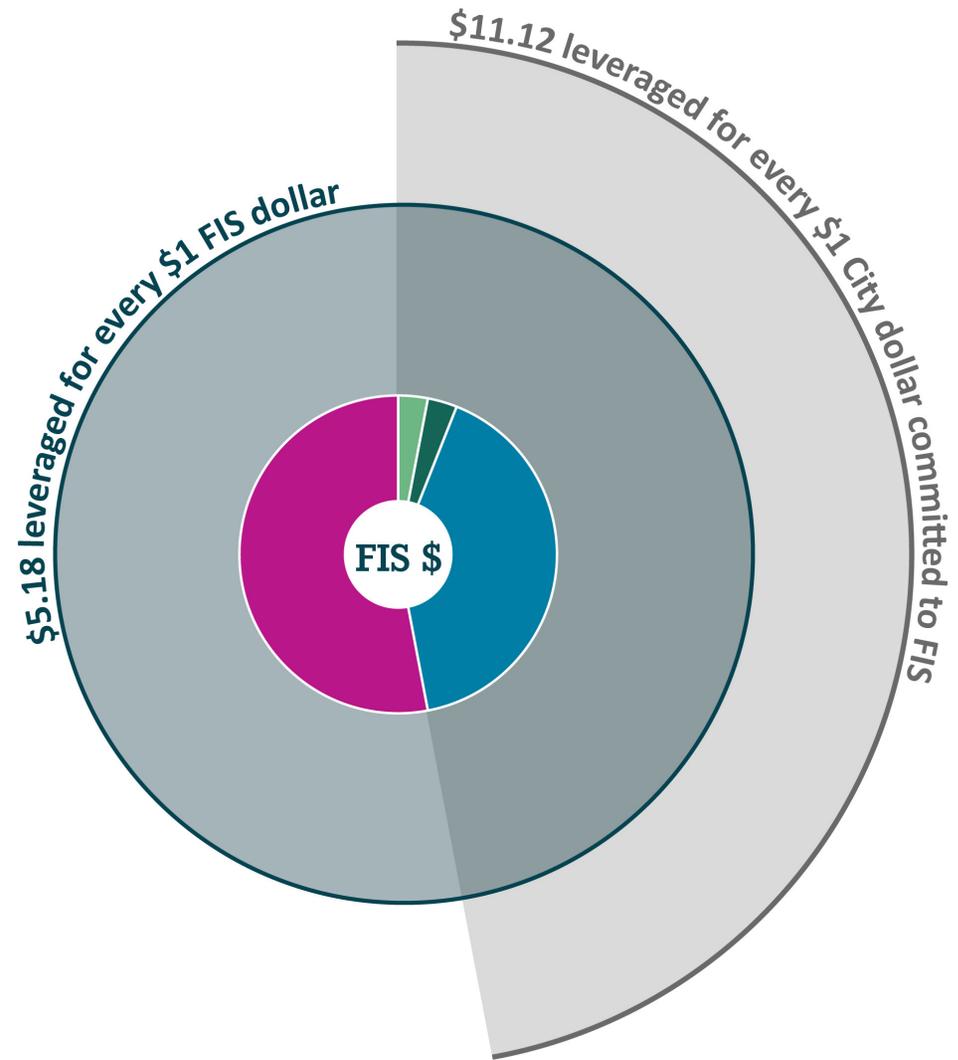
THE BLEND OF SOURCES WAS CRITICAL TO FIS'S MULTI-FACETED APPROACH

Leveraged Investment

With the \$17.1 million in federal and local dollars committed to FIS, the City leveraged \$88.7 million in additional investment in or adjacent to the FIS Areas. This means that for every FIS program dollar spent, the City leveraged \$5.18 dollars in additional investment. The ratio of dollars leveraged is even higher when calculating the dollars leveraged solely by the City's \$8 million in Cash Capital and City Development and Bond Funds (excluding CDBG dollars). For every \$1.00 of City resources spent through FIS, the City leveraged \$11.12 in additional investment.

The majority of leveraged investment came from New York State, totaling \$67.8 million (76 percent) in Low Income Housing Tax Credit (LIHTC) allocations and other funding sources for new construction and adaptive reuse of affordable rental housing, and funds raised for acquisition rehab of vacant properties, rehab of owner-occupied properties, and Main Street grants for use on commercial properties.

Figure 15. Investment Leverage Ratios



TOTAL FIS DOLLARS COMMITTED: \$17,116,374 —→ **TOTAL DOLLARS LEVERAGED: \$88,728,243**

CDBG: \$9,137,799

CITY CASH CAPITAL: \$7,007,982

CITY DEVELOPMENT FUNDS: \$470,593

CITY BONDS: \$500,000

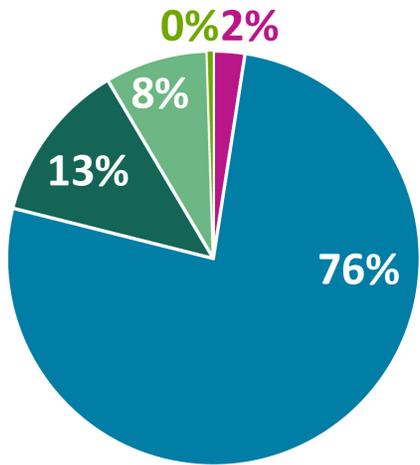
The pie chart above represents all FIS program dollars (\$17.1M), color coded by source.

The blue circle represents the proportional scale of dollars leveraged (\$88.7M) to total program dollars. For every \$1 FIS dollar, the City leveraged \$5.18.

The gray circle represents the proportional scale of dollars leveraged (\$88.7M) to City resources committed (\$8M of the \$17.1M program dollars). For every City-dollar committed, the City leveraged \$11.12.

Figure 16. Generalized Sources of Investment Leveraged by FIS

SOURCE	FEDERAL	STATE	LOCAL	PRIVATE	NON-PROFIT	TOTAL
	\$2,179,921	\$67,829,479	\$11,144,000	\$7,140,993	\$443,850	\$88,728,243



USES OF LEVERAGED FUNDS

Federal: HUD Lead Grants, Public Market Bridge, Tram

State: LIHTC Allocations for New Construction & Adaptive Reuse, & other sources for Acquisition Rehab, Owner-Occupancy Rehab, Main Street Grants

Local: Utility Upgrades, Street Improvements

Private: Commercial Facade Improvements, Rehabs

Non-Profit: Planning Services

The LIHTC allocations supported four highly visible and sophisticated adaptive reuse developments: Holy Rosary in Dewey Driving Park, Market Apartments at Corpus Christi, and Eastman Gardens in Marketview Heights, and Voters Block in Jefferson. While Rochester would likely have received State resources for some of these projects even without FIS, it would not have received support for all of these projects without the City’s demonstrated commitment to the FIS Areas.

“Some of the transformative developments might have occurred without FIS, but not all of them, and they wouldn’t have been done as well. The State looks for projects that have City involvement and a great story... FIS was that story. There is real scrutiny for fair housing. The State cannot fund projects in high poverty areas without a good story about a larger revitalization effort underway.”

- FIS Administrator

DOLLARS LEVERAGED

\$88.7M leveraged / \$17.1M FIS dollars = \$5.18 for every FIS dollar

\$88.7M leveraged / \$8.0M City dollars = \$11.12 for every City FIS dollar

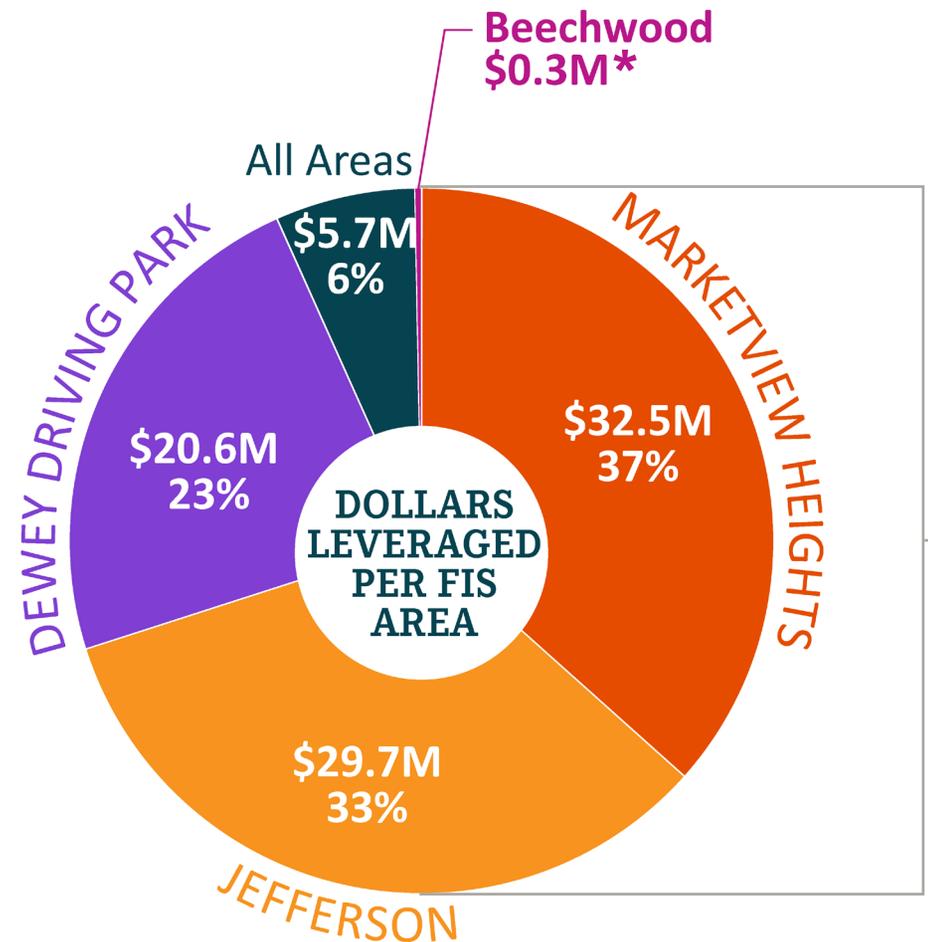
The remaining 24 percent of leveraged investment came from local sources to support utility upgrades and street improvements (\$11.1 million or 13 percent), private entities and owners to support commercial improvements or provide matching dollars for property rehabs (\$7.1 million or eight percent), the federal government to support lead remediation and special projects like the bridge and tram at the Rochester Public Market (\$2.2 million), and \$443,850 in non-profit funding and/or in-kind services to support planning in the FIS Areas (\$58,850 from Enterprise Community Partners to develop the FIS Action Plans and \$375,000 from Healthy Eating/Active Living by Design (HEALD) for access to food and trail planning).

This accounting of leveraged investment does not capture the full dollar value leveraged by FIS. **Interviews and focus group discussions revealed that FIS prompted some residents and local institutions considering departures from the FIS Areas not only to stay in place in their neighborhoods, but to invest in their properties as part of the larger revitalization efforts.** Furthermore, some residents responded to what one community leader called “positive shaming;” seeing the renovations and façade improvements taking place at adjacent properties, they too undertook self-funded property improvements. Being part of an FIS Area helped area non-profits write successful grant applications, enabling them to provide additional services locally with dollars committed by private foundations including the Farash Foundation, the Greater Rochester Health Foundation, and Wegmans, among others. Lastly, some program participants established payment plans or paid off overdue taxes to become eligible for an FIS grant.

“Four owners did work individually, probably \$20,000 - \$25,000 worth. That’s positive shaming at work.”
- Community Partner

“Several years ago, our church was considering moving out of the neighborhood. Now that we’ve gotten involved, we’ve chosen to stay - and to invest in our properties. We’re committed in a new way. There is value here, and we believe in it.”
- Neighborhood Leader

Figure 17. Leveraged Investment per FIS Area



*The Beechwood sum does not include the \$27 million investment in the Ryan R-Center, Sully Library, and School #33, completed in 2009, but committed prior to FIS.

Also note that FIS community partner, NEAD, reported leveraging Beechwood’s FIS designation to secure \$1 million in grant funding for the larger Beechwood area, including dollars from Wegmans, the Farash Foundation, and the Greater Rochester Health Foundation, as well as \$2.5 million in investments by the Rochester Housing Authority.

*RG&E investment occurred in both Marketview Heights and Jefferson. The calculation in Figure 17 assumes that half of the amount shown here was spent in each area.

Figure 18. Detail on Sources of Leveraged Funding

SOURCE	AMOUNT	PURPOSE	FIS AREA
NYS Low Income Housing Tax Credits, Housing Trust Fund (HTF)	\$19,569,082	Eastman Gardens - 52 units affordable rental housing (seniors)	Marketview Heights
NYS Low Income Housing Tax Credits, Rochester Housing Authority, HTF	\$18,726,330	Voter's Block Community Project - 92 units	Jefferson
NYS Low Income Housing Tax Credits, HTF	\$14,800,000	Holy Rosary and strategic infill - 60 units and community space	Dewey Driving Park
NYS Low Income Housing Tax Credits, NYS HOME	\$9,900,000	Market Apartments at Corpus Christi - 42 units (artists)	Marketview Heights
Frederick Douglass Apartments	\$5,200,000	Rehab of existing apartment building	Jefferson
Dewey-Driving Park Realignment	\$3,355,000	Planning, design, construction, inspections for increased safety	Dewey Driving Park
Rochester Gas & Electric (RG&E)	\$3,000,000	Jefferson Avenue Utility Upgrades	Jefferson
Jefferson Avenue Revitalization	\$2,384,000	Milling and resurfacing with enhancements	Jefferson
Dewey Avenue Street Project	\$1,305,000	Milling and resurfacing with enhancements	Dewey Driving Park
NYS HOME - Urban League	\$1,200,000	Acquisition / rehab for homeownership	All areas
HUD Lead Program Funding, Agency Funds, and Owner Contributions	\$1,064,921	Owner-Occupant Phase 3 and Investor-Owned Phases 3 and 4	All areas
HUD Lead Grants	\$1,000,000	Additional Owner-Occupant and Investor-Owned property rehabs	All areas
NYS Housing Finance Agency (HFA) - Neighborhood Stabilization Program	\$900,000	Two-unit rental property rehabilitation	All areas
NYS Main Street Grant	\$860,000	Business improvement grant (\$443K NYS, \$417K Owner)	Marketview Heights
Private Financing and Owner Equity	\$783,993	4 FIS Commercial and Business Assistance Projects	Marketview Heights
RG&E Rear Lot Initiative*	\$750,000	Pole replacement in rear yards to improve/upgrade facilities	Marketview Heights & Jefferson
NYS Urban Initiatives, NYS Affordable Housing Corporation (AHC), Office of the Attorney General, Mortgages, and Buyer Equity	\$667,067	Neighborhood Builders - 5 Units on Straub and Pierpont Streets	Dewey Driving Park
Federal Home Loan Bank (FHLB) of New York	\$500,000	Owner-Occupant rehab	All areas
NYS Sustainable Neighborhood Grant	\$495,000	Subsidies for acquisition / rehab and new construction of 5 units	Marketview Heights
Wegmans	\$400,000	Commercial façade improvements	Dewey Driving Park
Healthy Eating/Active Living by Design (HEALD)	\$375,000	Access to food and trail planning	All areas
Union Street Project	\$350,000	Milling and resurfacing with enhancements	Marketview Heights
NYS AHC - Joint Venture Partnership	\$300,000	Owner-Occupant rehab	All areas
NYS Dept of Housing and Community Renewal - Joint Venture Partnership	\$300,000	Owner-Occupant rehab	All areas
Rochester Health Foundation, Private Financing, and Owner Equity	\$249,000	Freedom Market Project	Beechwood
US Department of Agriculture	\$100,000	Purchase and operation of shuttle/tram and Public Market	Marketview Heights
NYS Urban Initiatives	\$67,000	Rehab assistance for Straub Street	Dewey Driving Park
Enterprise Community Partners	\$58,850	FIS action plans development	All areas
NYS Agriculture and Markets	\$25,000	Improvements related to railroad bridge	Marketview Heights
NYS Main Street Grant	\$20,000	Business improvement grant (\$10K NYS, \$10K Owner)	Beechwood
US Department of Agriculture - Friends of the Market	\$15,000	Improvements related to railroad bridge	Marketview Heights
Frontier Exterior Improvements	\$8,000	Improvements by Frontier in support of Straub Street Project	Dewey Driving Park

Use of FIS Dollars

Primarily a Housing Program

Overall, 62 percent of FIS program dollars (\$10.3 million) funded one- to four-family housing rehabilitation. These dollars funded facade improvements of owner-occupied and investor-owned properties through the Exterior and Security Rehabilitation Program (ESRP), addressing front and side walls, windows, porches, and trim in an effort to create an improved building envelope and enhanced curb appeal. Lead grants from HUD enabled interior lead paint remediation as well. Participation was voluntary and based on eligibility criteria. For owner-occupants, there was no match required, but grant recipients had to be current on their taxes and mortgage. Some owner-occupants declined to participate or remained ineligible over the course of the program.

Participation in the FIS residential rehab program was also voluntary for investor-owners, though recruitment presented greater obstacles. Grants for investor-owners were subject to a 10 percent match. Again, issues of tax or mortgage delinquency created obstacles to participation, as did absenteeism. Though the program completed 283 residential rehabs, it did not – and could not – address every home in every FIS Area due to recruitment challenges and barriers to participation.

Sixteen (16) percent of program dollars supported large-scale special projects built by private developers using tax credit financing: Market Apartments at Corpus Christi, Holy Rosary, Voters Block, and Hardy Park Apartments. Eleven (11) percent funded public works including streetscape improvements on Dewey Avenue, Jefferson Avenue, North Union Street, open space improvements at Webster Park, and the rail overpass and Market Street parking area at the Public Market.

The balance of program dollars supported economic development (four percent), community building and engagement efforts such as mini-grants for community-driven projects and Rochester Walks efforts to encourage safe and active public realms (three percent), demolition (two percent), planning (one percent), and assorted other uses (one percent).

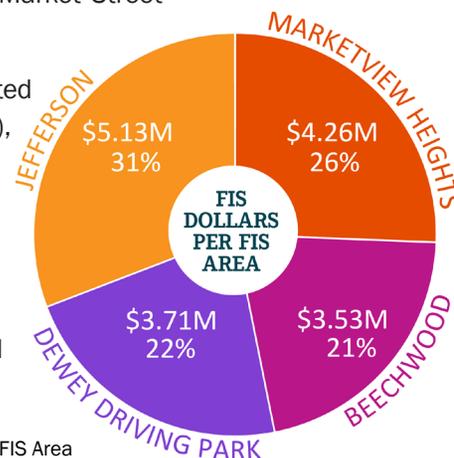


Figure 19. FIS Program Dollars Spent per FIS Area

Though the FIS program strove for balance and equity in funding allocations across the four FIS Areas, at the end of the program, the total dollar amounts did vary due to each area’s specific needs, opportunities, local capacity, and community desires. Thirty-one (31) percent of program dollars were spent in Jefferson, 26 percent in Marketview Heights, 22 percent in Dewey Driving Park, and 21 percent in Beechwood.

The reasons for variation in the use of funds across the four areas include:

- **Planning** – all areas received the same commitment of resources for planning at the outset of FIS; Marketview Heights received additional funding for the Urban Renewal District Plan
- **Special Projects** – Beechwood was the only FIS Area that did not have an opportunity site for a large-scale tax credit development
- **Community Building / Engagement** – all areas received funding for the FIS Looking Good beautification program, which distributed flowers and plants to citizens along with horticulture workshops; a public arts program engaged youth in learning to paint murals for mounting in key locations within the four FIS Areas, and a teen leadership program, CITIZEN U, operated for two program years engaging 60 youth throughout the city in community leadership development and workforce/job readiness skills
- **Economic Development** – Beechwood and Marketview received funds for corridor business assistance; Beechwood received funds for Freedom Market, Marketview received a Main Street Grant; Dewey Driving Park received a grant from Wegman’s
- **Public Works** – see the list of public works projects in paragraph three to the left; full funding has been secured for the realignment of the Dewey-Driving Park intersection, and the City anticipates that construction will begin in Spring 2017
- **Other** – all areas received some funding for mini-grants to support community-led projects; Beechwood received a large allocation of funds for vacant lot beautification

The tables at the right detail the projects completed and the number and percent-share of homeowners and investor owners who received grants in each FIS area.

Figure 20. FIS Funding by Use and Area

	MARKETVIEW HEIGHTS	BEECHWOOD	DEWEY DRIVING PARK	JEFFERSON	TOTAL	PERCENT SHARE
USE	AMOUNT	AMOUNT	AMOUNT	AMOUNT	AMOUNT	
Planning	\$83,743	\$14,743	\$14,773	\$14,743	\$128,002	1%
Housing Rehab Programs	\$2,473,709	\$2,655,200	\$2,364,876	\$2,811,622	\$10,305,407	62%
Special Projects	\$320,000	\$42,120	\$854,591	\$1,501,001	\$2,717,712	16%
Community Building / Engagement	\$57,553	\$198,840	\$57,553	\$148,842	\$462,788	3%
Demolition (Private Structures)	\$100,000	\$100,000	\$100,000	\$100,000	\$400,000	2%
Economic Development	\$251,539	\$170,431	\$233,545	\$30,431	\$685,946	4%
Public Works	\$945,928	\$250,000	\$50,000	\$500,000	\$1,745,928	11%
Other	\$23,500	\$95,304	\$33,050	\$18,500	\$170,354	1%
TOTAL SPENT / COMMITTED	\$4,255,972	\$3,526,638	\$3,708,388	\$5,125,139	\$16,616,137	
PERCENT SHARE OF TOTAL SPENT	26%	21%	22%	31%		

Figure 21. FIS Residential Rehabs by Housing Tenure

Tenure	FIS Priority Area	FIS Area	FIS Impact Area	Total (All Areas)	Percent Share
MARKETVIEW HEIGHTS					
Owner-Occupied	16	7	3	26	39%
Investor-Owned	30	11	0	41	61%
TOTAL	46	18	3	67	
BEECHWOOD					
Owner-Occupied	38	10	0	48	57%
Investor-Owned	32	4	0	36	43%
TOTAL	70	14	0	84	
DEWEY-DRIVING PARK					
Owner-Occupied	8	19	2	29	46%
Investor-Owned	14	18	2	34	54%
TOTAL	22	37	4	63	
JEFFERSON					
Owner-Occupied	22	15	0	37	54%
Investor-Owned	14	18	0	32	46%
TOTAL	36	33	0	69	

FIS IMPACT

This section presents the data collected and analyzed through the three lenses of assessment requested by the City of Rochester for the FIS Evaluation:

- **Impact on Neighborhoods** – as a place-based strategy, what are the visible, tangible changes in land use, building condition, vacancy, and blight in the FIS Areas?
- **Impact on Real Estate Markets** – as a strategy driven by resource allocation, what are the economic impacts in assessed values, sale prices, and activity? What are the impacts on homeownership and investor interest? Did the City’s geographic commitment to the FIS Areas leverage grant funding and trigger additional private development?
- **Impact on People and Communities** – as a strategy aimed at improving quality of life and empowering neighbors as agents of change, how have patterns of crime and code violations shifted over time? Who benefited from the program, how, and how do members of the public feel about FIS and its ability to revitalize neighborhoods?

Impact of Physical Neighborhood Conditions

Without a doubt, FIS had a notable positive impact on physical conditions in all four FIS areas.

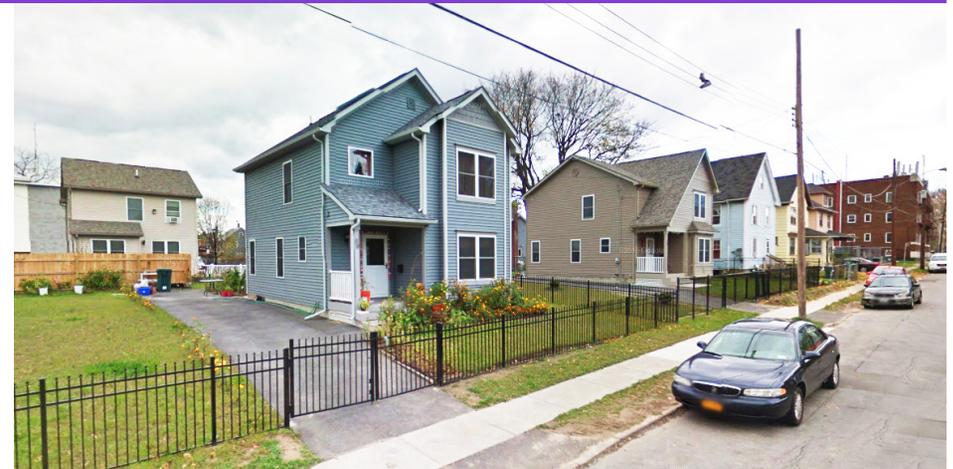
- **Land Use** – the FIS Areas and Impact Areas experienced subtle changes in land use between 2008 and 2016. The changes register only slightly on the pie charts of land use composition, but the maps and raw data on parcel counts generally record gains in single-family homes and gains in vacant land, in keeping with FIS program activities around demolition, rehab, and new construction. The most notable land use changes are best observed on the ground, as illustrated by the below example from the Dewey Driving Park FIS Area, in which a large, vacant warehouse on Pierpont and Straub streets known for nuisance activity in years past was demolished, making room for the construction of four new single-family homes.

With its focus on exterior renovations and beautification, the physical impact of FIS registers quite strongly in the building condition data presented on the following pages.

Dewey Driving Park: Pierpont Street in 2012, with a large, vacant warehouse | Same view in 2015, post FIS demolition and construction of four new homes



Source: Google Streetview (2012)

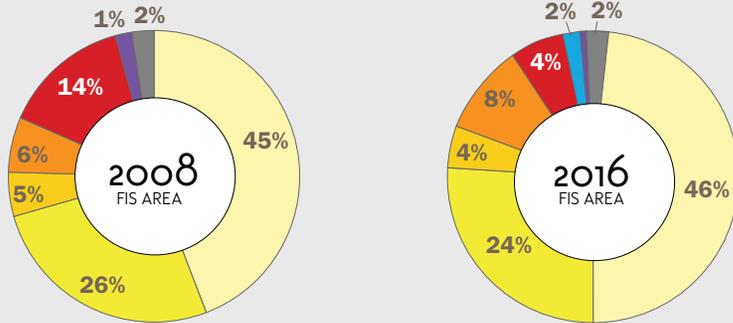


Source: Google Streetview (2015)

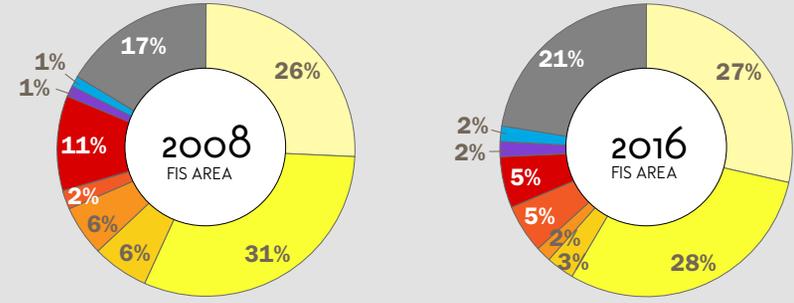
Figure 22. FIS Area Land Use Composition, 2008-2016

Source: Field Surveys by Enterprise Community Partners and Interface Studio

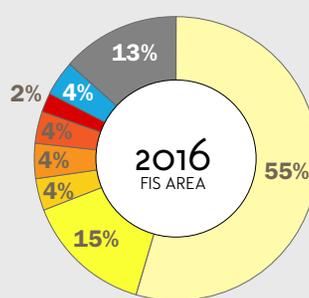
DEWEY DRIVING PARK



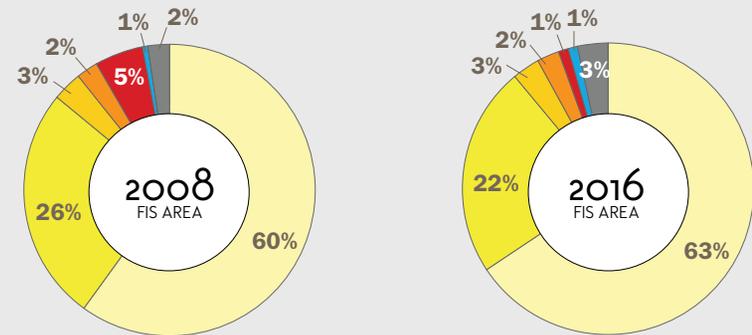
MARKETVIEW HEIGHTS



JEFFERSON



BEECHWOOD



- Single-Family Residential
- Two-Family Residential
- Three-Family Residential
- Apartment
- Multi-Family Residential
- Commercial

- Institution Community Facility
- Industrial
- Vacant Land

- **Building Condition** – all FIS Areas experienced dramatic changes in exterior building conditions, again reflecting FIS investments in façade improvements. For the raw data that provides the numeric counts for each area’s change in building conditions by graded class, see the FIS Appendices (IV – VII).

Note, that this 2016 study compares building conditions today with those in 2008, using the same grading scale and methodology as was employed in 2008. The 2014 building conditions survey employed a somewhat stricter grading criteria, granting a score of A only to new construction (as opposed to new, recently renovated, or buildings with no signs of decay), and thus the results of the 2014 survey appear to register worsening conditions.

“Ultimately, we ran out of owner-occupants who were eligible for FIS grants – current on their taxes and mortgage, present and engaged, rather than an absentee landlord. Every property that didn’t get done has a story.”
- Community Partner



A **EXCELLENT**

new construction
or recently rehabbed
no signs of decay
roof in great condition

B **GOOD**

sound condition
good maintenance
no immediate need for
repairs
minor cosmetic issues

C **AVERAGE**

need for basic cosmetic
repairs such as paint job,
porch, or fence repair
roof showing wear

D **DISTRESSED**

building appears worn
need for substantial
improvements to address
weathered siding, sagging
foundations, broken
windows, etc.

F **FAILING**

dangerous or abandoned
buildings, fire damaged,
boarded up, and possibly
unsuitable for rehabilitation,
candidate for demolition

Figure 23. Change in Building Condition, 2008-2016

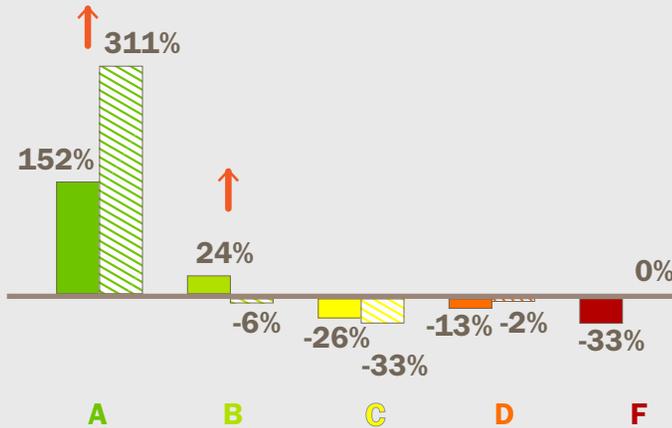
Source: Field Surveys by Enterprise Community Partners and Interface Studio

DEWEY DRIVING PARK

The 71% increase in Grade F buildings in the Impact Area reflects an increase from seven properties to 12 between 2008 and 2016 in the blocks between Glenwood and Lexington.

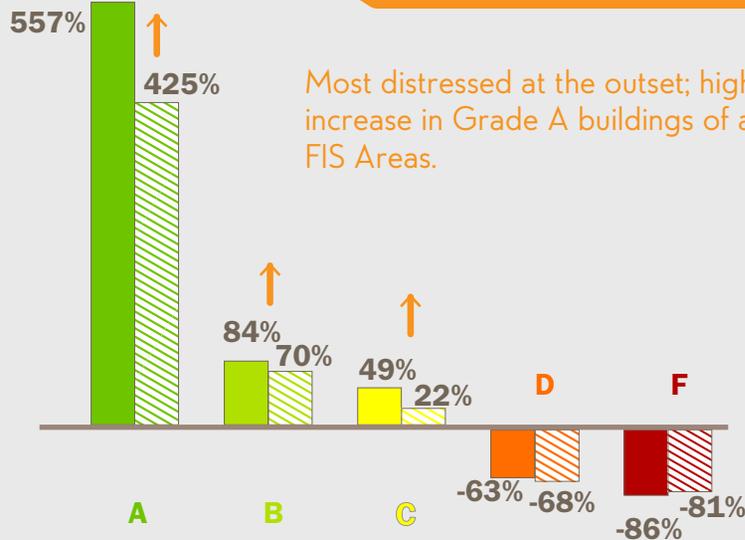


MARKETVIEW HEIGHTS



JEFFERSON

Most distressed at the outset; highest increase in Grade A buildings of all FIS Areas.



BEECHWOOD



FIS Area ■ ■ ■ ■ ■ FIS Impact Area ▨ ▨ ▨ ▨ ▨
 OUTCOME + IMPACT

- Vacancy** – with the targeted demolition of unsafe structures and rehab of salvageable vacant homes, FIS produced a marked decrease in vacant buildings across the board (except for in Beechwood, for which there is no baseline data on vacant structures). Marketview Heights experienced the largest increase in vacant lots, in part due to heavy demolitions and acquisitions to lay the groundwork for future implementation of the Urban Renewal District Plan. Building permit and certificate of occupancy data comparing 2008 and 2015 show dramatic increases in the number of permits issued in Marketview Heights and Beechwood, suggesting ongoing renovations. All FIS Areas show notable increases in certificates of occupancy, denoting properties that have gone through the legal process of re-occupancy and thus confirming the decrease in vacant buildings.

FIS DEMOLITION TALLIES:

Marketview Heights	16 unsafe structures
Beechwood	1 unsafe structure
Dewey Driving Park	9 unsafe structures
Jefferson	22 unsafe structures

The FIS-specific appendices contain additional maps and tables.

Figure 24. Change in Development Activity, 2008-2015

Source: City of Rochester

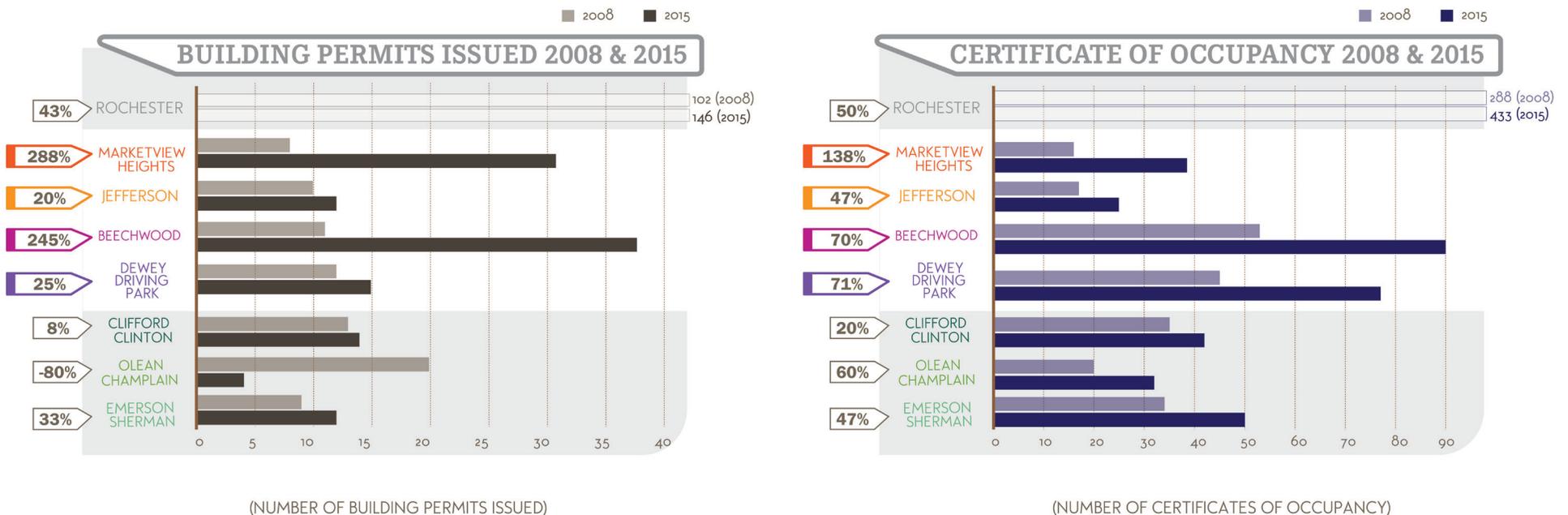
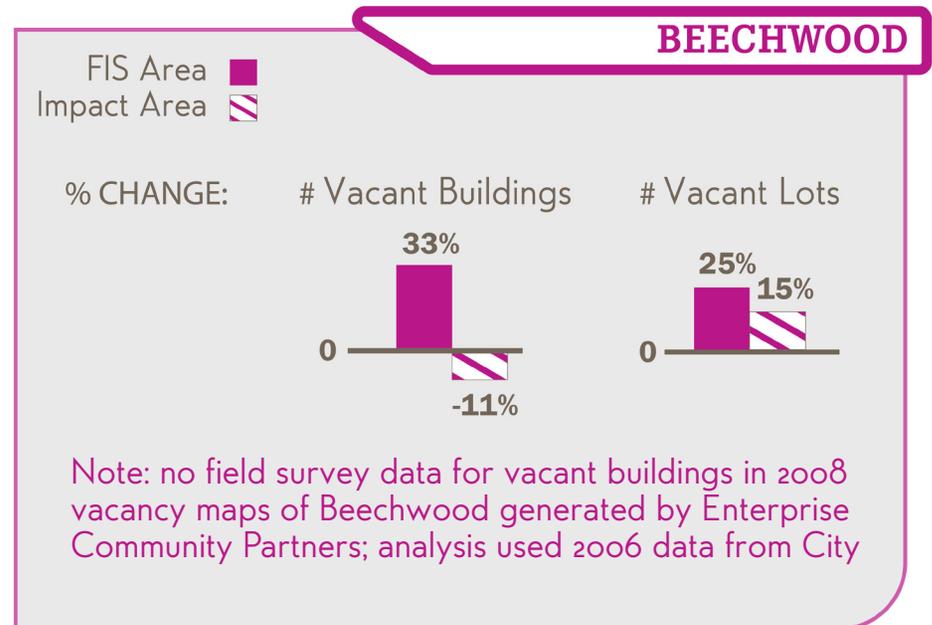
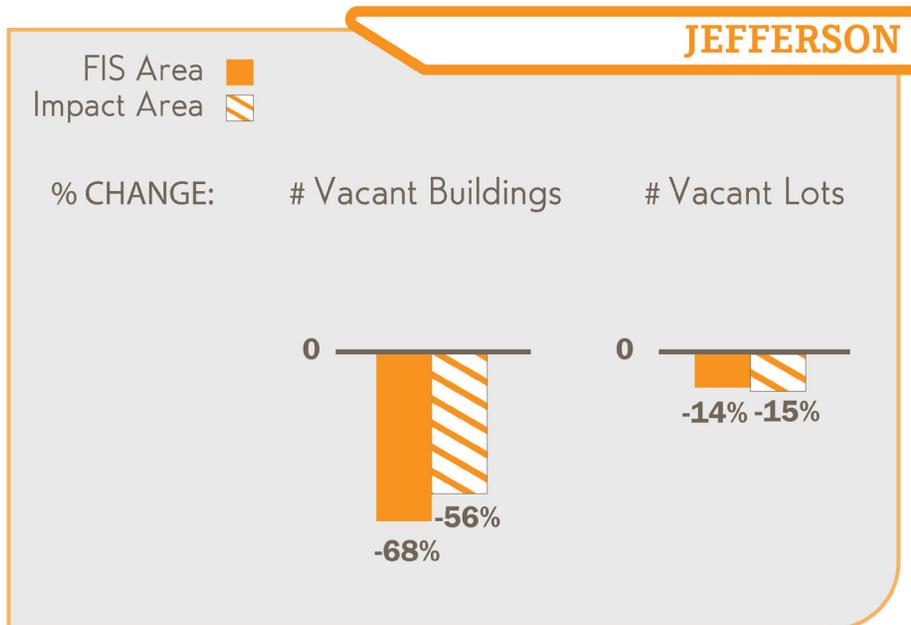
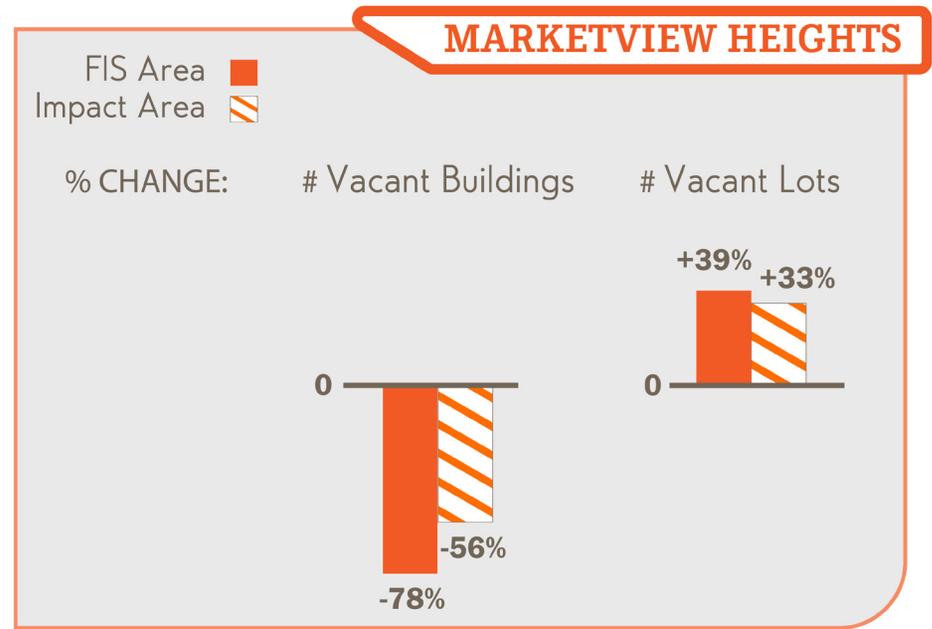
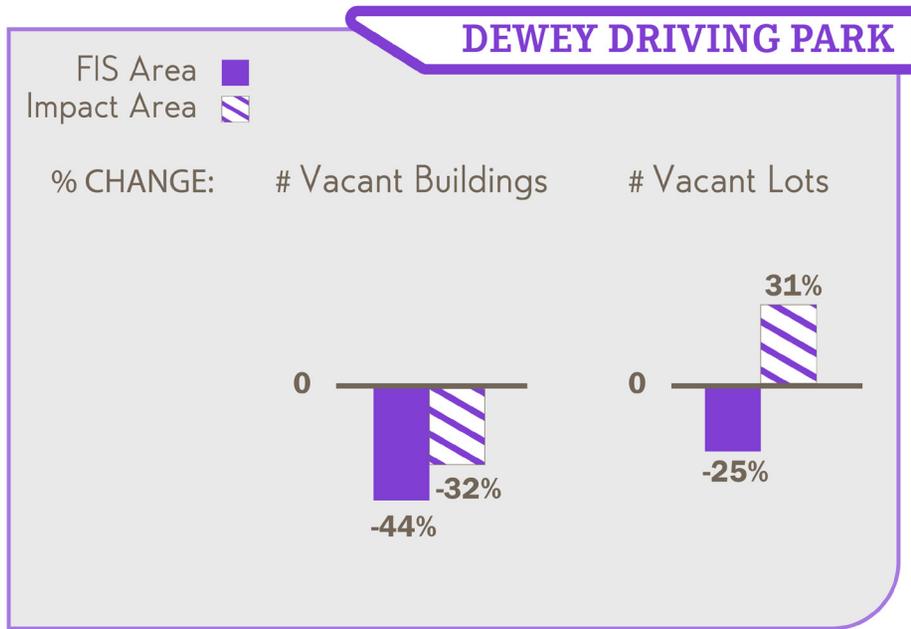


Figure 25. Change in Building Condition, 2008-2016

Source: Field Surveys by Enterprise Community Partners and Interface Studio



Impact on Real Estate Markets

FIS achieved mixed results in the real estate market, with much success in shifting assessed values as well as in leveraging additional investment. Anecdotally, sale prices for new construction were stronger than for rehabs or non-FIS properties, which lost ground in terms of median-sale price. FIS did not move the needle on homeownership; investors remain a dominant market segment.

- **Assessed Residential Value** – Citywide, Rochester experienced an 18 percent increase in the median assessed value for single- and two-family homes between 2006 and 2016. Three of the four FIS Areas kept pace or out-performed the citywide increase, a significant accomplishment given the distressed nature of the FIS Areas: Marketview Heights (18 percent increase), Jefferson (16 percent), and Dewey Driving Park (25 percent). These three FIS Areas far out-performed the control areas examined. Beechwood, which had the highest median assessed value at the outset, held steady, losing two percent in the FIS Area and gaining two percent in the FIS Impact Area.

Note that assessed values reflect the valuation placed on property by the public tax assessor for the purposes of taxation. Increases within the FIS areas reflect program success toward the goal of growing the tax base. Assessed values are distinct from sale prices, which did not perform as well over time, likely as a result of the recession as well as persisting real and perceived challenges in some of the FIS Areas.

- **Residential Sale Price** (see Figure 27 on 36) – In order to have enough sales to measure change, the data for this indicator include both single- and two-family homes. Citywide, the change in median sale prices for those two housing typologies performed very differently, with single-family homes increasing by 18 percent and two-family homes increasing by just five percent.

The median residential sale prices for single- and two-family homes decreased in each of the FIS Areas comparing 2007 sales with 2015 sales; prices have not recovered post-recession. Beechwood’s median residential sale price fell by 16 percent, while in Marketview Heights the price fell by 30 percent. Dewey Driving Park’s median residential sale price fell by 44 percent, and Jefferson’s fell by 50 percent.

However, as the quotes below illustrate, the market for new and renovated homes proved stronger than the market overall, and developer partners noted a strengthening of price in Marketview and Dewey Driving Park as well as parts of Beechwood.

“Clearly, there is a market for renovated and new properties, particularly in Dewey Driving Park, Marketview, and parts of Beechwood. We can’t afford to build a home and have it sit; we’d love to keep working in the areas where homes are moving.”

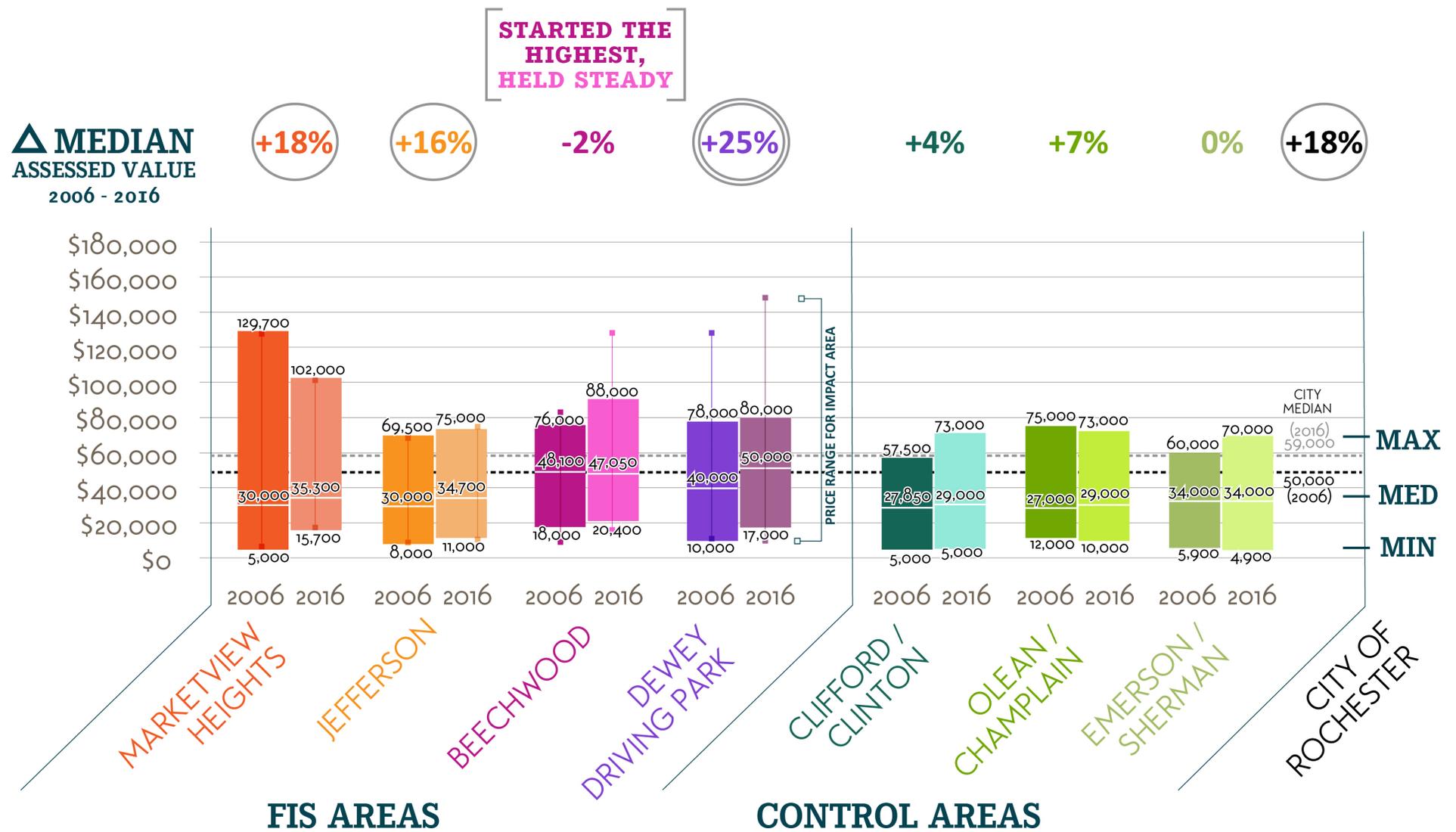
- Developer Partner

“We held our own during the recession, the mortgage collapse. We built homes, attracted homeowners, and strengthened the price for new construction.”

- Developer Partner

Figure 26. Change in Assessed Residential Value (for single- and two-family homes), 2006-2016

Source: City of Rochester



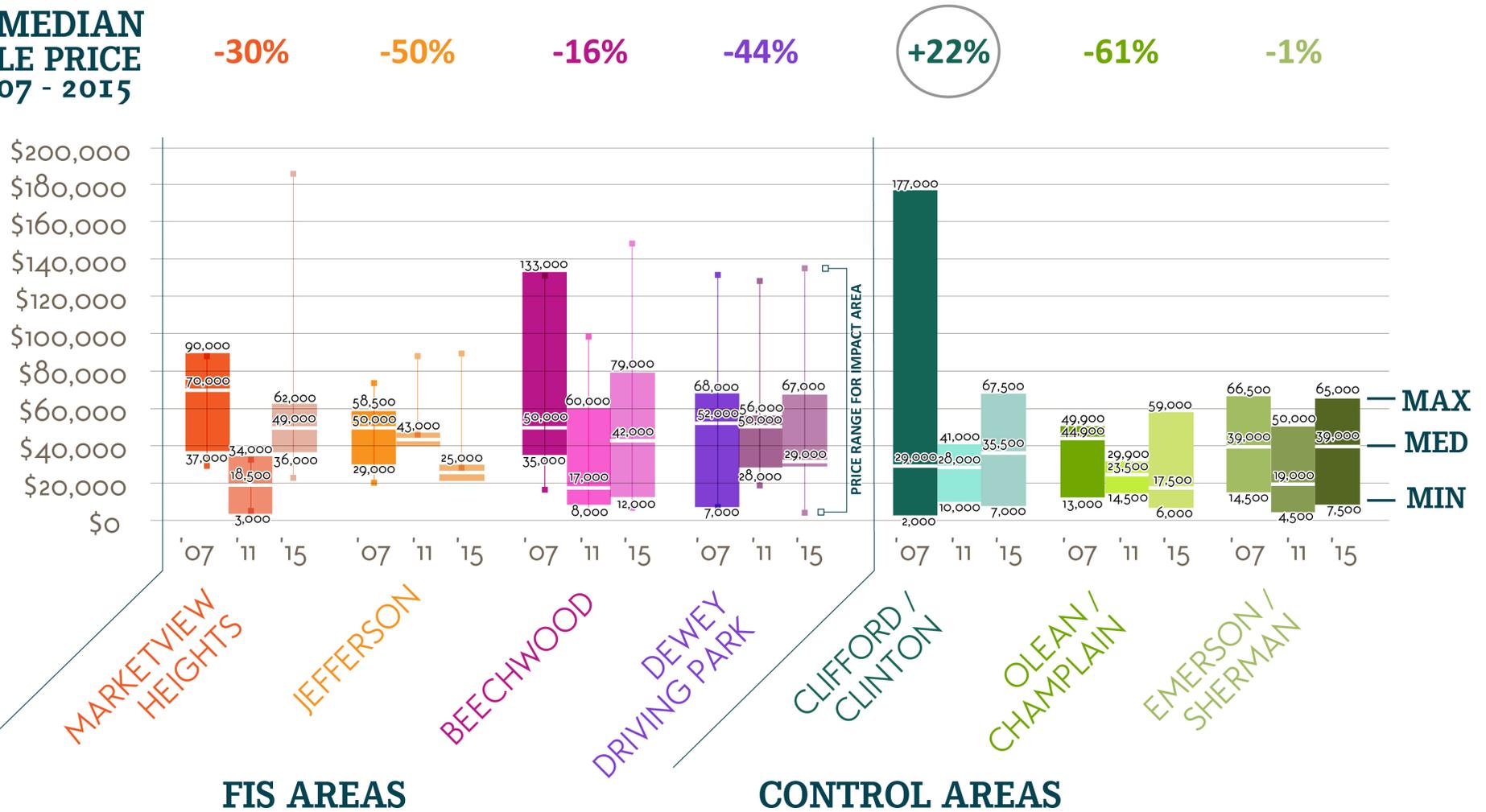
Calculations of change in median assessed value are not adjusted for inflation.

OUTCOME + IMPACT

Figure 27. Change in Residential Sale Price (for single- and two-family homes), 2007-2015

Source: CoreLogic

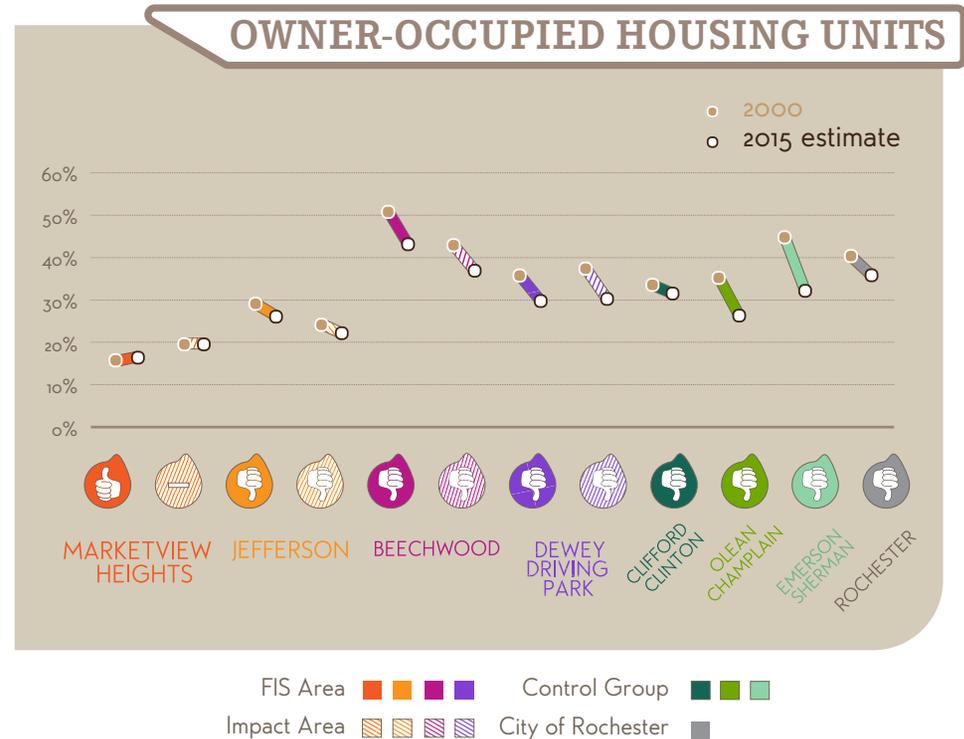
Δ MEDIAN SALE PRICE 2007 - 2015



Calculations of change in median sale price are not adjusted for inflation.

Figure 28. Change in Percent Owner-Occupied, 2000-2015

Source: Census 2000, Census 2010, ESRI 2015 Estimates



% OCCUPIED UNITS OWNER-OCC	2000	2010	2015 Estimate	
Marketview Heights FIS Area	16.2%	17.8%	16.5%	▲
Marketview Heights FIS Impact Area	19.7%	21.1%	19.7%	—
Jefferson FIS Area	29.0%	28.6%	26.1%	▼
Jefferson FIS Impact Area	24.0%	24.3%	22.2%	▼
Beechwood FIS Area	50.7%	45.2%	43.2%	▼
Beechwood FIS Impact Area	42.9%	39.1%	37.0%	▼
Dewey Driving Park FIS Area	35.8%	31.5%	29.9%	▼
Dewey Driving Park FIS Impact Area	37.5%	32.1%	30.2%	▼
Clifford - Clinton Control Area	33.5%	34.0%	31.6%	▼
Olean - Champlain Control Area	35.2%	28.8%	26.3%	▼
Edgerton (Emerson) Control Area	44.9%	34.3%	32.2%	▼
City of Rochester	40.1%	37.6%	35.8%	▼

- **Homeownership** – Between 2000 and 2015, the percent share of owner-occupied housing units decreased in all areas except Marketview Heights. This reflects the national trend, with a five percent decrease in homeownership over the same timeframe.

The City recognized that due to the high rental rates in the FIS Areas, FIS would need to address not only owner-occupied but investor-owned properties as well. While this created tension among non-FIS-eligible homeowners witnessing area landlords obtaining FIS assistance, community development partners underscored the importance of addressing both owner-occupied and rental properties in improving conditions holistically and encouraging healthier living conditions for renters as well as homeowners. Figure 21 on page 27 presents the overall breakdown of grants awarded by area to homeowners and investor-owners.

“There is so much focus on homeownership, so that’s why FIS was great – it acknowledged that landlords are a reality in these hard-hit neighborhoods.”
 - Community Development Practitioner

“You would think that landlords would line up for the investor owner grants, but they didn’t. It was often an issue of back taxes or absenteeism.” - Community Development Practitioner

A review of home sales in 2007, 2011, and 2015 indicated that in Marketview and Jefferson, there is a steady rate of sales to investors (LLCs and incorporated entities). During those years, there were no single- and two-family homes that sold to Out-of-Country buyers. In Beechwood and Dewey Driving Park, however, there is an increasing rate of sales to investors and an uptick in sales to Out-of-State and Out-of-Country buyers, which was also seen in the Emerson & Sherman and Clifford & Clinton Control Areas.

Impact on People and Communities

Certainly, quality of life has improved with reductions in crime and strengthened neighborhood networks. Community members working with Neighborhood Service Center Administrators and the Rochester Police Department have increased reporting of crimes, and the physical investments in place signal stewardship and send a message of lesser tolerance for criminal activity. Nonetheless, real challenges continue, among them persistent poverty and ongoing crime issues. These measures of change all require continued commitment.

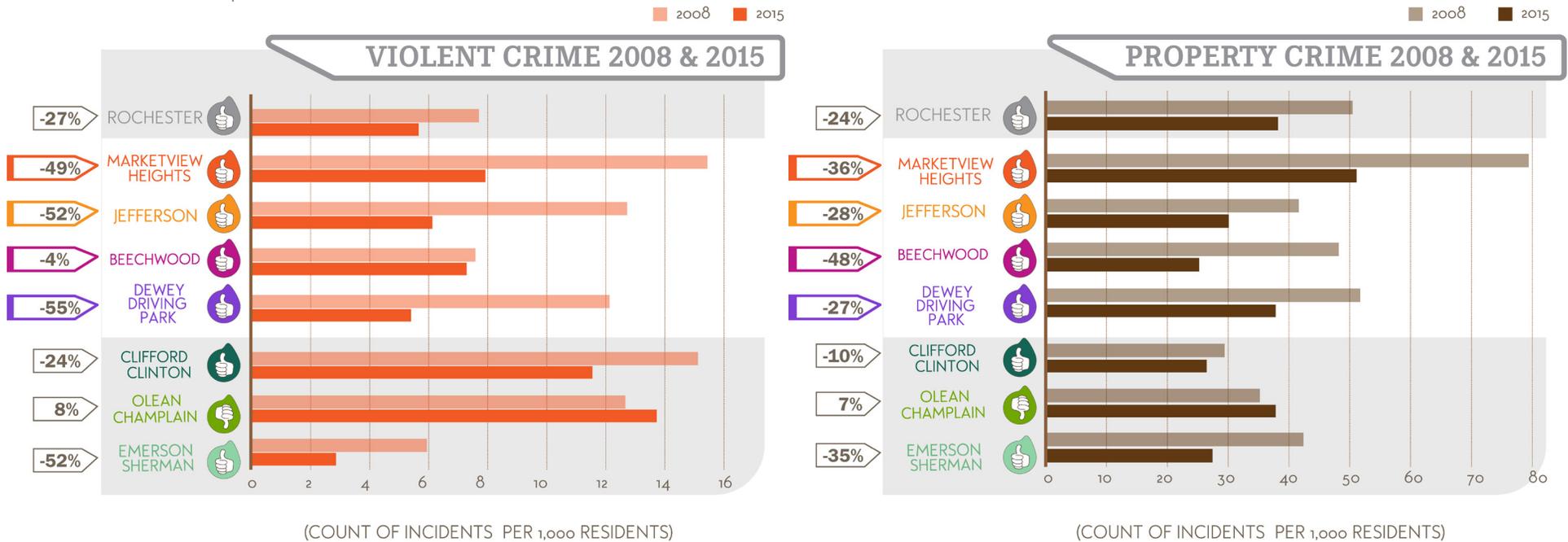
- **Violent Crime** – Citywide, the rate of violent crimes per 1,000 residents fell by 27 percent between 2008 and 2015 during the FIS years. In Dewey Driving Park, the rate fell by nearly twice as much (55 percent), and the same can be said for Jefferson (52 percent), and Marketview Heights (49 percent). Dewey Driving Park’s rate of violent crime per 1,000 residents is just shy of the City’s rate. The other three FIS Areas still have higher rates of violent crime than the city average; however, their current rates of violent crime are much lower than the Clifford & Clinton and Emerson & Sherman control areas.
- **Property Crime** – Citywide, the rate of property crimes per 1,000 residents fell by 24 percent between 2008 and 2015; all of the FIS Areas experienced more dramatic decreases (27 percent in Dewey Driving Park, 28 percent in Jefferson, 36 percent in Marketview Heights, and 48 percent in Beechwood). In Emerson & Sherman, the rate fell by 35 percent. The rate of property crime per 1,000 residents is equal to the City’s rate in Marketview Heights and Dewey Driving Park. Beechwood and Jefferson have lower crime rates than the city average.
- **Vice Calls for Service** – Citywide, the rate of vice calls for service per 1,000 residents fell by 13 percent between 2008 and 2015. Two of the FIS Areas experienced more dramatic decreases (64 percent in Dewey Driving Park and 76 percent in Marketview Heights); two of the FIS Areas experienced an increase in calls (52 percent in Jefferson and 80 percent in Beechwood). Residents and community leaders affirmed these statistics. In Dewey Driving Park and Marketview, there is a sense that the decreases are due to reductions in crime. In Jefferson and Beechwood, residents believe the increases reflect enhanced community reporting.

- **Major Projects Leveraged** – As discussed in the Project Outcomes section, FIS was very successful in attracting additional investment; FIS successfully leveraged state programs and resources to bring four very high quality affordable rental developments to the FIS Areas.



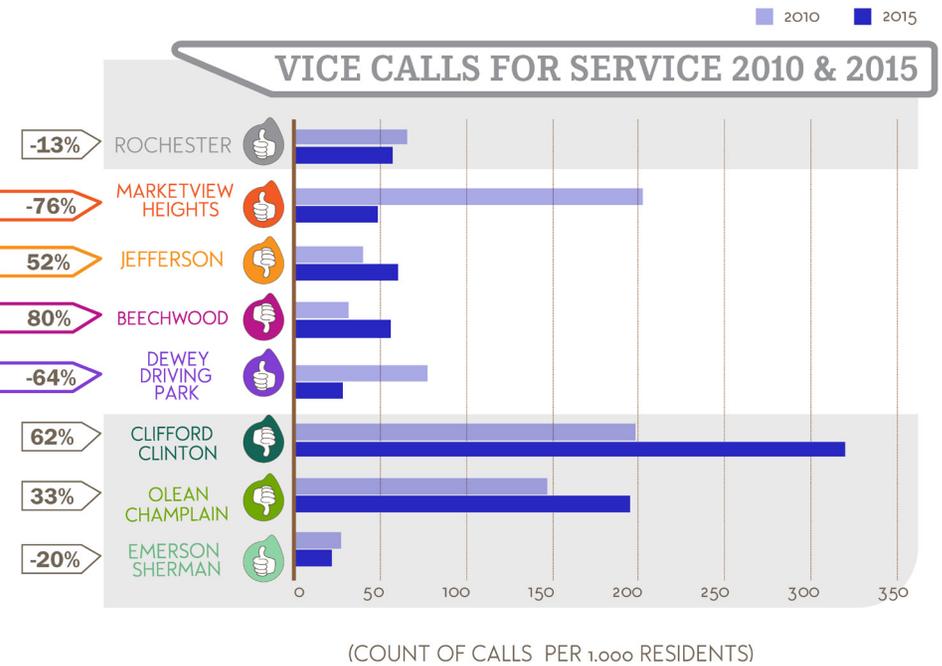
Figure 29. Change in Rates of Crime and Calls for Service, 2008-2015

Source: Rochester Police Department



“With crime and safety concerns, people are still living in very difficult neighborhoods.”
 - Community Development Practitioner

“Before, we were apathetic. Now, we’re telling people to report crimes.”
 - Resident / Community Leader



- **Code Violations** – All of the FIS Areas today have lower numbers and rates of lead violations. Only Jefferson experienced a decrease in all types of code violations between 2008 and 2015. In the other FIS Areas, the code violation counts and rates per 100 properties increased for some violations and decreased for others.

As with the crime data, in some cases, increased code violations may be the result of increased reporting by community members spurred to action through FIS meetings and community initiatives.

Figure 30. Code Data by Type of Violation, 2008-2015

Source: City of Rochester

DEWEY DRIVING PARK									
CODE VIOLATIONS BY COUNT & YEAR	2008	2009	2010	2011	2012	2013	2014	2015	CHANGE 2008 - 2015
HAZARDOUS VIOLATION	1	11	12	5	11	8	14	16	1500%
LEAD VIOLATION	70	54	66	67	35	49	43	48	-31%
NUISANCE ISSUE	5	13	4	4	8	4	4	7	40%
TRASH VIOLATION	25	22	49	39	46	13	25	33	32%
UNLICENSED VEHICLE VIOLATION	16	14	21	8	10	6	6	14	-13%
JEFFERSON									
CODE VIOLATIONS BY COUNT & YEAR	2008	2009	2010	2011	2012	2013	2014	2015	CHANGE 2008 - 2015
HAZARDOUS VIOLATION	13	2	5	2	5	3	1	2	-85%
LEAD VIOLATION	42	20	10	8	10	4	5	10	-76%
NUISANCE ISSUE	5	0	7	12	5	5	4	0	-100%
TRASH VIOLATION	16	4	11	4	3	9	8	15	-6%
UNLICENSED VEHICLE VIOLATION	14	8	0	2	0	0	0	1	-93%
EMERSON & SHERMAN									
CODE VIOLATIONS BY COUNT & YEAR	2008	2009	2010	2011	2012	2013	2014	2015	CHANGE 2008 - 2015
HAZARDOUS VIOLATION	6	7	11	5	3	10	9	24	300%
LEAD VIOLATION	40	79	52	46	18	32	33	28	-30%
NUISANCE ISSUE	5	5	3	5	6	5	2	5	0%
TRASH VIOLATION	22	19	18	23	38	13	19	22	0%
UNLICENSED VEHICLE VIOLATION	14	14	15	4	9	6	11	11	-21%
OLEAN & CHAMPLAIN									
CODE VIOLATIONS BY COUNT & YEAR	2008	2009	2010	2011	2012	2013	2014	2015	CHANGE 2008 - 2015
HAZARDOUS VIOLATION	3	2	3	0	5	4	4	5	67%
LEAD VIOLATION	34	24	23	11	11	14	16	17	-50%
NUISANCE ISSUE	4	4	5	11	4	4	1	3	-25%
TRASH VIOLATION	13	12	9	10	13	13	18	19	46%
UNLICENSED VEHICLE VIOLATION	5	4	5	3	0	0	2	10	100%

MARKETVIEW HEIGHTS									
CODE VIOLATIONS BY COUNT & YEAR	2008	2009	2010	2011	2012	2013	2014	2015	CHANGE 2008 - 2015
HAZARDOUS VIOLATION	5	3	7	5	6	4	6	13	160%
LEAD VIOLATION	17	27	25	22	11	13	6	4	-76%
NUISANCE ISSUE	6	10	8	13	11	5	8	6	0%
TRASH VIOLATION	6	18	20	20	7	0	3	11	83%
UNLICENSED VEHICLE VIOLATION	2	7	13	9	5	7	0	3	50%
BEECHWOOD									
CODE VIOLATIONS BY COUNT & YEAR	2008	2009	2010	2011	2012	2013	2014	2015	CHANGE 2008 - 2015
HAZARDOUS VIOLATION	18	2	12	18	9	30	17	45	150%
LEAD VIOLATION	105	58	74	93	72	91	93	83	-21%
NUISANCE ISSUE	4	5	13	4	14	8	12	11	175%
TRASH VIOLATION	31	23	49	21	17	17	34	30	-3%
UNLICENSED VEHICLE VIOLATION	43	17	40	24	4	5	12	26	-40%
CLIFFORD & CLINTON									
CODE VIOLATIONS BY COUNT & YEAR	2008	2009	2010	2011	2012	2013	2014	2015	CHANGE 2008 - 2015
HAZARDOUS VIOLATION	11	5	4	12	12	22	15	10	-9%
LEAD VIOLATION	31	43	38	54	46	31	36	29	-6%
NUISANCE ISSUE	9	17	15	10	19	20	21	20	122%
TRASH VIOLATION	23	34	27	19	27	13	26	24	4%
UNLICENSED VEHICLE VIOLATION	5	3	8	12	10	14	10	9	80%

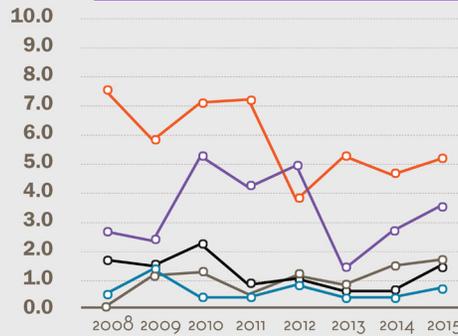
Figure 31. Change in Rate of Code Violations, 2008-2015

Source: City of Rochester

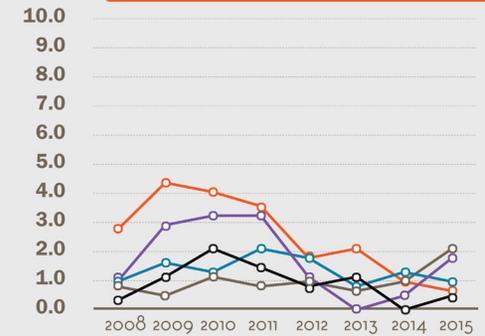
VIOLATIONS PER 100 PROPERTIES

- Hazardous Violation
- Lead Violation
- Nuisance Issued
- Trash Violation
- Unlicensed Vehicle Violation

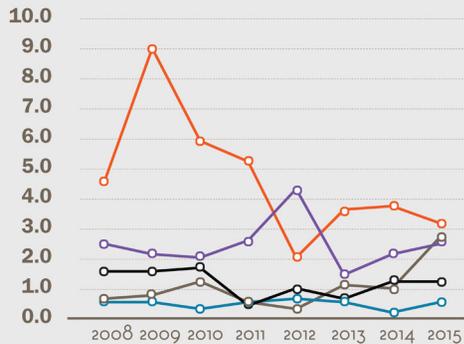
DEWEY DRIVING PARK 2008 - 2015



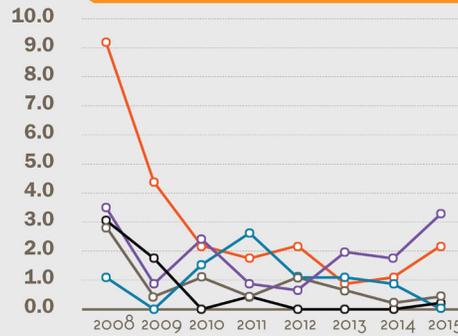
MARKETVIEW HEIGHTS 2008 - 2015



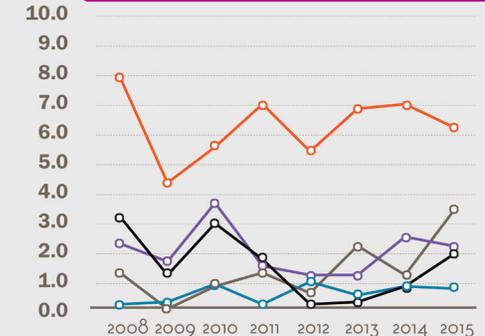
EMERSON & SHERMAN 2008 - 2015



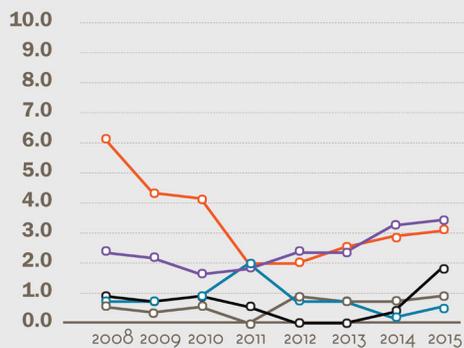
JEFFERSON 2008 - 2015



BEECHWOOD 2008 - 2015



OLEAN & CHAMPLAIN 2008 - 2015



CLIFFORD & CLINTON 2008 - 2015

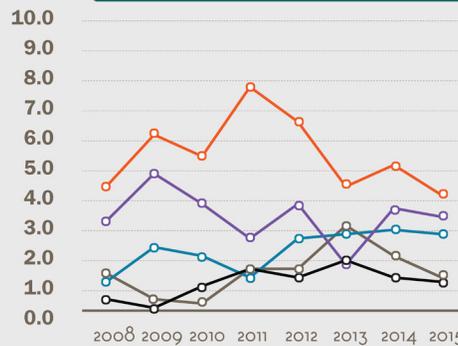
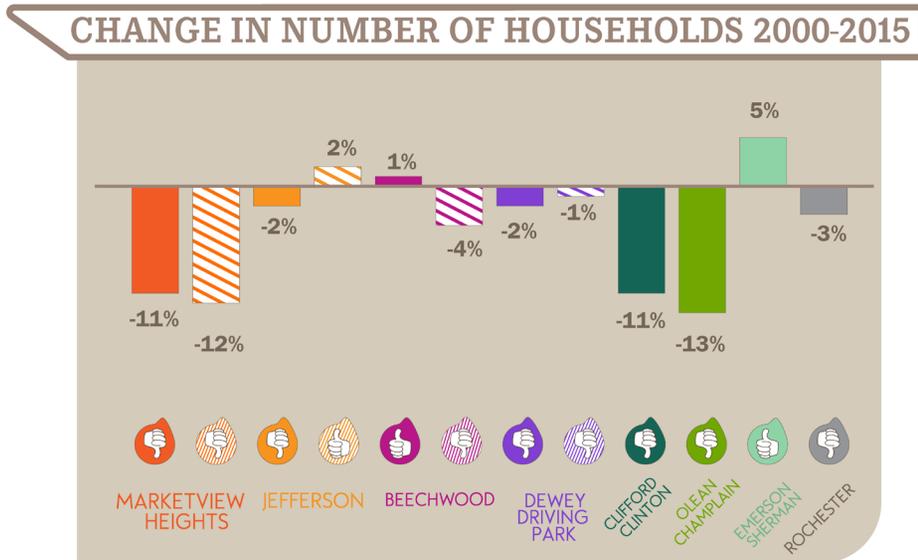
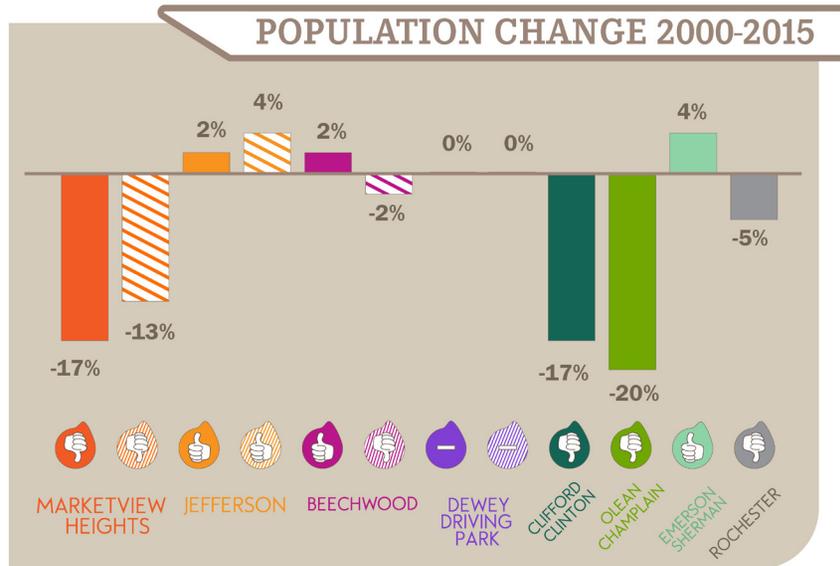


Figure 32. Population and Household Change, 2000-2015

Source: Census 2000, ESRI 2015 Estimates



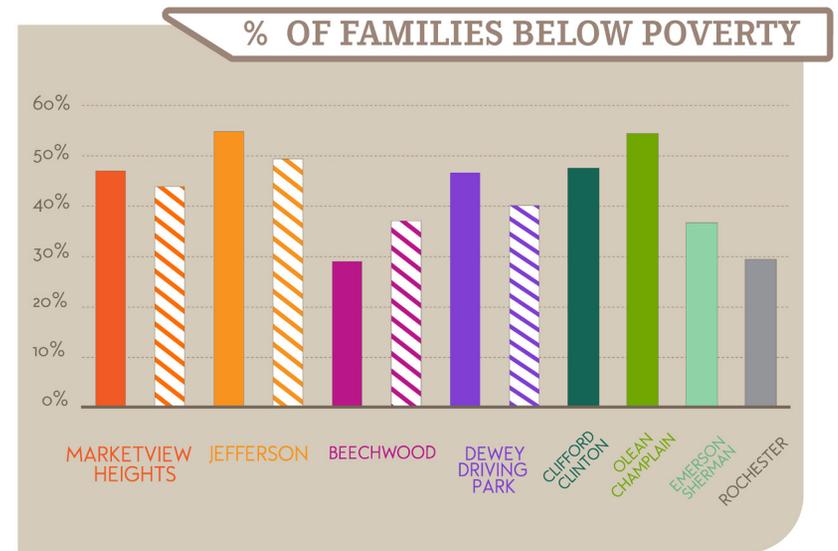
FIS Area: Marketview Heights (orange), Jefferson (yellow), Beechwood (purple), Dewey Driving Park (dark purple)
 Control Group: Clifford Clinton (dark green), Olean Champlain (green), Emerson Sherman (light green)
 Impact Area: Marketview Heights (orange stripes), Jefferson (yellow stripes), Beechwood (purple stripes), Dewey Driving Park (dark purple stripes)
 City of Rochester: Rochester (grey)

- Demographics** – Population stabilized in all of the FIS Areas besides Marketview Heights. Jefferson and Beechwood grew by two percent, and the Dewey Driving Park population remained flat with zero percent change. Jefferson, Beechwood, and Dewey Driving Park therefore fared better in terms of population change than the City and two of the three control areas, which lost population between 2000 and 2015. Only the Beechwood FIS Area experienced a growth in households. Population and household growth were not primary goals of the FIS program, nor was significant growth anticipated due to limited and strategic infill.

Given the physical emphasis of FIS, the City did not anticipate that the program would have a direct impact on poverty rates. Due to data limitations, it was impossible to collect historical Census poverty data at the FIS scale. The below chart instead provides a snapshot in time from the American Community Survey (ACS), which can serve as a baseline for measuring change going forward. Beechwood’s poverty rate is comparable to the City’s; the other FIS Areas have much higher poverty rates, underscoring the need to incorporate services, education, and training program components moving forward.

Figure 33. Percent of Families Living in Poverty

Source: ACS 5-Year Estimate (2009-2013)



FIS Area: Marketview Heights (orange), Jefferson (yellow), Beechwood (purple), Dewey Driving Park (dark purple)
 Control Group: Clifford Clinton (dark green), Olean Champlain (green), Emerson Sherman (light green)
 Impact Area: Marketview Heights (orange stripes), Jefferson (yellow stripes), Beechwood (purple stripes), Dewey Driving Park (dark purple stripes)
 City of Rochester: Rochester (grey)

- Sense of Community** – In three out of four of the FIS Areas, community residents and leaders report strengthened community networks. Marketview Heights Collective Action Project, Beechwood Neighborhood Coalition, Northeast Area Development Corporation, and Changing of the Scenes all remain active in convening community meetings and encouraging neighbors to remain engaged in efforts to revitalize their neighborhoods. Only in Dewey Driving Park has resident engagement waned, though that FIS Area has two different neighborhood groups that continue to meet. The strengthening sense of community in Dewey Driving Park is among business owners who have formed a Merchants Association.

- Public Opinion** – This Evaluation relies on the 278 surveys collected to understand public opinion. Survey takers gave different reasons for how FIS improved their quality of life. Notably, less than one percent of respondents who were grant recipients reported that FIS had not improved their quality of life. Among non-grant recipients, that figure was 10 percent. As depicted in Figure 13 on page 18, taken together, survey respondents strongly agree both that there is more work to be done in the FIS Areas, and that FIS is a strategy worth continuing.

Figure 34. All Respondents/Impact of FIS on Quality of Life

Source: FIS Evaluation Surveys

90% OF SURVEY RESPONDENTS SAID THAT FIS IMPROVED THEIR QUALITY OF LIFE

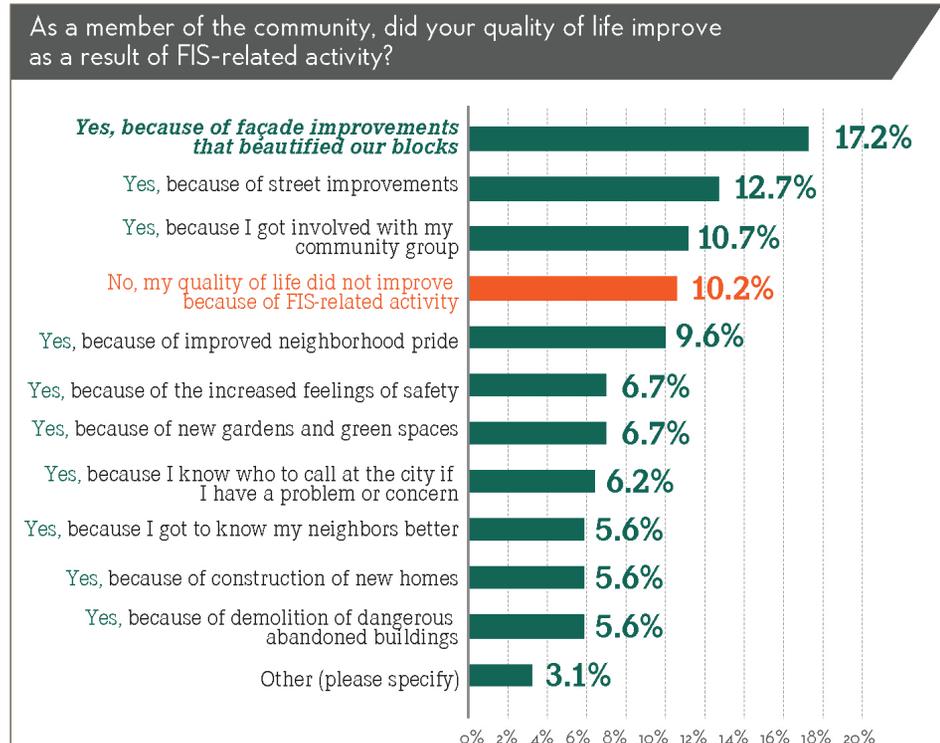


Figure 35. Program Participants/Impact of FIS on Quality of Life

99.4% OF RESPONDENTS WHO RECEIVED AN FIS GRANT SAID FIS IMPROVED THEIR QUALITY OF LIFE

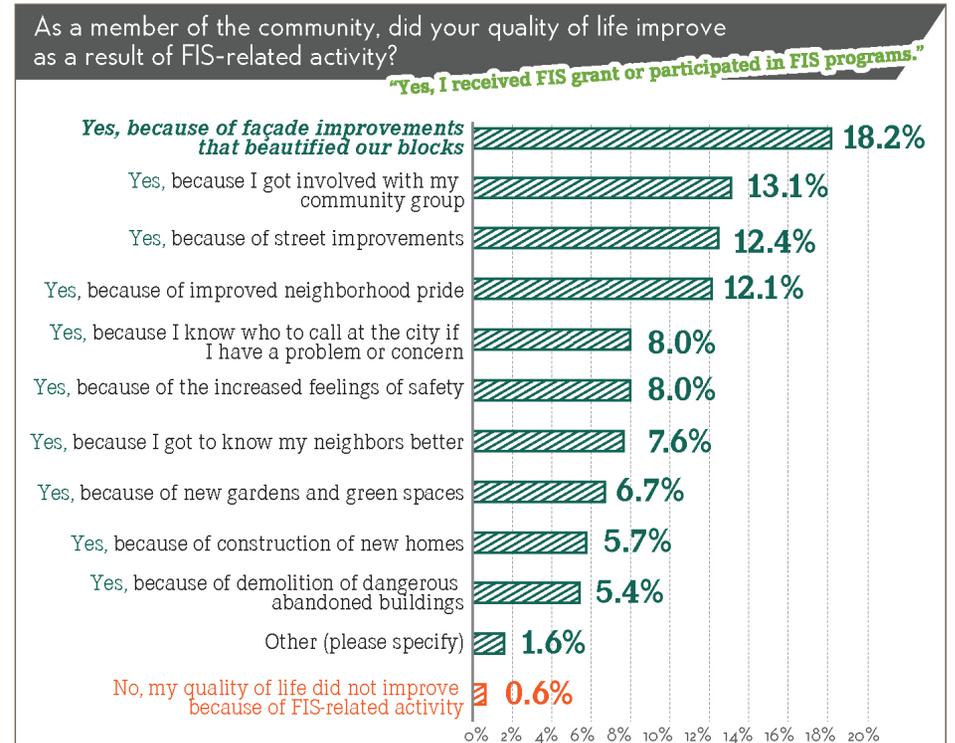


Figure 36. Evaluation of Progress Against All Data Indicators

Source: multiple



DATA INDICATORS	MARKETVIEW HEIGHTS	BEECHWOOD	DEWEY DRIVING PARK	JEFFERSON	FIS AREAS OVERALL
IMPACT ON NEIGHBORHOOD PHYSICAL CONDITIONS					
Land Use Composition	Lesser impact	Lesser impact	Lesser impact	Little or no change	Lesser impact
Building Condition	Notable positive impact				
Vacant Buildings	Notable positive impact	No Data	Notable positive impact	Notable positive impact	Notable positive impact
Vacant Land	Notable positive impact	Regressed or lost ground	Regressed or lost ground	Notable positive impact	Mixed results
IMPACT ON THE REAL ESTATE MARKET					
Assessed Values	Lesser impact	Little or no change	Lesser impact	Lesser impact	Lesser impact
Sale Price / New Construction	Lesser impact	Little or no change	Lesser impact	Little or no change	Mixed results
Sale Price / Overall	Regressed or lost ground				
Homeownership	Lesser impact	Regressed or lost ground			
Investor Interest	Little or no change	Regressed or lost ground	Regressed or lost ground	Little or no change	Mixed results
Major Projects Leveraged	Notable positive impact	Lesser impact	Notable positive impact	Notable positive impact	Notable positive impact
IMPACT ON PEOPLE + COMMUNITIES					
Violent Crime	Lesser impact	Little or no change	Notable positive impact	Notable positive impact	Notable positive impact
Property Crime	Notable positive impact				
Vice Issues	Notable positive impact	Mixed results	Notable positive impact	Mixed results	Mixed results
Code Violations	Notable positive impact	Lesser impact	Lesser impact	Notable positive impact	Notable positive impact
Population	Regressed or lost ground	Lesser impact	Lesser impact	Lesser impact	Lesser impact
Poverty	Regressed or lost ground				
Sense of Community	Notable positive impact	Notable positive impact	Little or no change	Notable positive impact	Notable positive impact

EMERSON
+ SHERMAN

CLIFFORD + CLINTON OLEAN + CHAMPLAIN

	EMERSON + SHERMAN	CLIFFORD + CLINTON	OLEAN + CHAMPLAIN

Conclusions

Figure 36 charts progress over each data indicator evaluated by within each FIS Area and the three Control Areas. In viewing each column, the more green entries, the more consistent the progress made on each indicator. The table illustrates that, in fact, the FIS Areas made demonstrable progress when compared to the Control Areas, where brown entries dominate.

Read horizontally, sale prices and homeownership rates appear to be the two key data indicators where FIS did not have a marked or positive impact. As noted throughout the report, the role of the Great Recession cannot be discounted, as nationwide, homeownership fell and sale prices plummeted.

The City did not anticipate that FIS would directly impact poverty rates, and here too, the all areas under study lost ground, underscoring the importance of R-MAPI's work in the city and region, and the Mayor's Office of Innovation and Strategic Initiatives' Pathways to Prosperity and Connected Communities efforts to alleviate poverty in the city.

The table below summarizes progress toward each FIS goal, area by area, affirming that yes, across the board, FIS moved the needle, in every area. Though the need in each area persists and there is more work to be done, the data prove that strategic targeting of resources is a powerful and impactful approach to community development.

Lessons learned from the research and analysis provide the basis for the recommendations presented in the next chapter. Here is a short list of lessons learned:

- The timeline to success will be longer if selected areas for focused investment are more distressed than transitional. Be prepared for a longer-term commitment to protect the investment.
- Adjust expectations about participation; with a voluntary program, 100 percent participation is unlikely. Allow for flexibility in grant distribution in the Impact Area once the list of eligible participants has been served.
- Remain mindful of use restrictions or limitations of various funding sources; seek outside grants or alternative sources to round out non-brick and mortar efforts like community building and human services.
- Continue to evaluate the program while implementation is in progress; adapt as necessary to achieve desired outcomes. The FIS design standards are a great example of in-progress program adaptation, which transitioned housing products from “vanilla” outcomes to three-color designs and porch detailing that afforded curb appeal.

- Lower-cost tactics can make all the difference. Continue to replace front chain-link fences with a more attractive alternative. Encourage landscaping and gardening.
- Boundaries matter; avoid drawing boundaries down street center-lines. Instead, include properties on both sides of the street.
- Seek areas where there is upside potential or sizable opportunities for catalytic change. Corpus Christi, Eastman Gardens, Holy Rosary, and Voters Block are great examples where smaller-scale FIS investments helped secure larger scale investments that made highly visible change for maximum impact.
- Strong community partners can help continue positive momentum once the City’s investments are complete. Build upon existing community infrastructure, or nurture new infrastructure. Maintain communication with neighbors and community partners after the program ends, and especially as the program is ending to ensure a sense of closure and clarify next steps.
- Cultivate a sense of ownership and shared responsibility among grantees; educate grant recipients about maintenance and stewardship so that improvements are long-lived.
- Be user-friendly in paperwork and processing.
- Be flexible – one size does not fit all FIS Areas.
- Celebrate progress with community and more broadly in communications to generate positive buzz.

Figure 37. Summary of Progress Toward FIS Goals by FIS Area

PROGRAM GOALS	↑	↔	↓				
	Notable progress or achievement of goal	Limited change or progress toward goal	Regressed or lost ground	IMPROVE LOCAL HOUSING MARKET AND NEIGHBORHOOD VITALITY	INCREASE PROPERTY VALUES	MAXIMIZE IMPACT OF FEDERAL FUNDS	EMPOWER NEIGHBORS AS ACTIVE PARTICIPANTS
MARKETVIEW HEIGHTS		↔	↑	↑	↑	↑	↑
BEECHWOOD		↔	↑	↑	↑	↑	↑
DEWEY-DRIVING PARK		↔	↑	↑	↑	↔	↑
JEFFERSON		↔	↑	↑	↑	↑	↑



FIS EVALUATION
RECOMMENDATIONS

RECOMMENDATIONS

1. Protect the investment by continuing to target efforts in the first four FIS Areas
2. Select an area(s) for future focused investment
3. Integrate new program components
4. Refine internal operations and program administration
5. Seek partnerships that leverage additional investment

NEXT STEPS

RECOMMENDATIONS

The final section of this study presents recommendations for continued focused investment in the City of Rochester. The recommendations are informed by the data collected and analyzed, the wisdom and reflections of program participants and administrators, as well as by the consultant team's expertise in planning, market analysis, and implementation strategies for sustained neighborhood revitalization.

The recommendations for continued focused investment fall into five categories:

- 1 Protect the investment by continuing to target community development initiative in the first four FIS Areas
- 2 Select an area(s) for future focused investment
- 3 Integrate new program components
- 4 Refine internal operations and program administration
- 5 Continue to seek partnerships that leverage additional investment

The study concludes with a brief section on Next Steps that ties the recommendations to current priorities for the Warren Administration, chief among them integrating an action plan for the next phase of focused investment with the joint efforts of the Office of Innovation and Strategic Initiatives (OISI) and the Rochester-Monroe Anti-Poverty Initiative (R-MAPI) to increase human capital and decrease chronic joblessness, and the recently launched process to update the City's comprehensive plan, *Rochester 4.0 – Our Neighborhoods, Our Future*.

1) Protect the Investment by Continuing to Target Efforts in the First Four FIS Areas

1.1 Maintain a commitment to the original four FIS Areas and keep working toward revitalization and vibrancy. There is more work to be done in the process of neighborhood revitalization, and it is critical that the City continue to fund a range of projects and dedicate staff time from multiple departments (NBD, DES, RPD, and DRYS) to protect the initial FIS investment. Moving forward, allow for program flexibility in each area.

Ongoing efforts in the original four FIS areas should include the all of the strategies listed a. through f. on the next page.

- a. Continue housing investments, with an emphasis on owner-occupancy, where the market has responded well, specifically in Marketview Heights, Dewey Driving Park, and parts of Beechwood. This may require making slight adjustments to the original FIS boundaries depending on the remaining available properties that are candidates for rehab or redevelopment.
- b. Follow through with the big projects such as the realignment of Dewey Avenue and implementation of the Marketview Heights Urban Renewal District Plan.
- c. Follow up with remaining problem properties that could not be addressed in the first phase of FIS due to eligibility or participation issues. In each area, create a list of these properties, document the road blocks faced in the first phase, reach out to property owners again to solicit interest in participating, and watch for activity that could enable action through FIS such as a property sale, foreclosure, or code violations.
- d. Fold in lower-cost strategies that keep community members engaged as agents of change. Develop a curriculum on home maintenance required for grant recipients. Fund landscaping and beautification projects for front lawns and corner properties, encouraging people to add color and a sense of extra care in the public realm. Revisit the need for selective demolitions, taking note of crumbling garage structures that detract from otherwise improved properties.
- e. Integrate services and programs based less on place and more on people. Reconnect community efforts with the police force. Connect with non-profits to bring legal services or health screenings to the FIS Areas. Increase training opportunities for residents. Develop a mobile service delivery system that can connect the existing FIS areas with programs and opportunities emerging through the R-MAPI initiatives.
- f. Regularly track the data indicators measured in this Evaluation for all FIS areas going forward to help protect the City's investment. If an indicator begins to fall, investigate the issue and respond accordingly to change the negative trajectory.

Figure 38. Proposed Urban Renewal District Redevelopment Plan

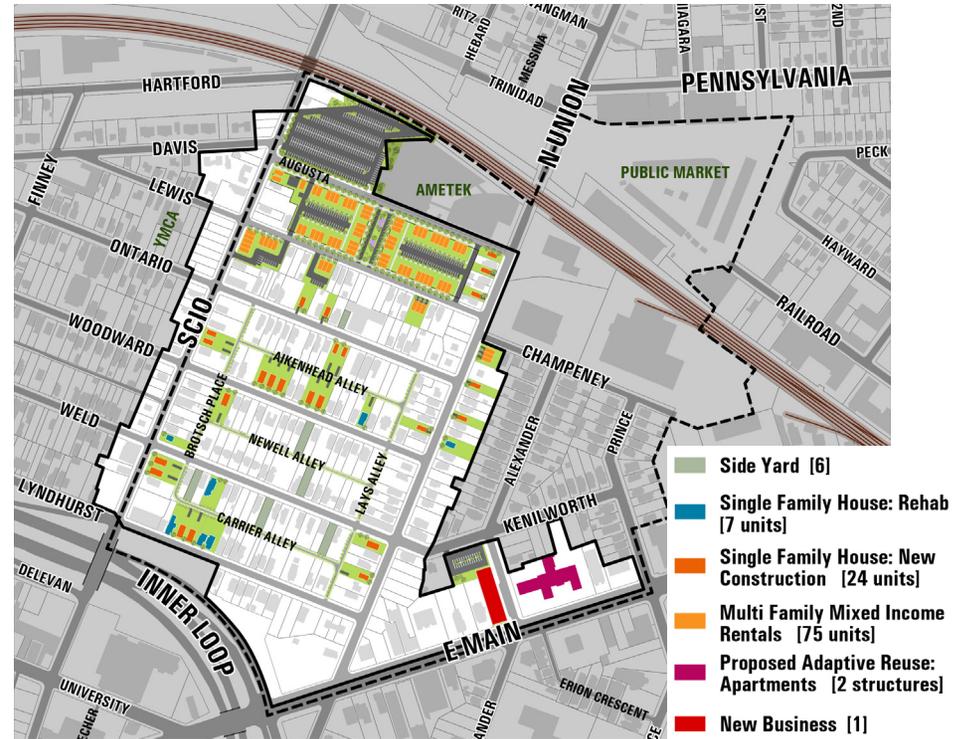


Figure 39. Proposed Dewey Driving Park Realignment



1.2 Before the City decides to move on, devise a graceful exit strategy. Community leaders and residents spoke about a lack of clarity around completion and a lack of closure when funding for the FIS program ceased. Everyone involved in the evaluation process acknowledged that none of the four FIS Areas have reached the state of stability and vibrancy envisioned as the end goal. However, as the City continues to work in the FIS Areas, it must also begin building the community infrastructure to support a transition from City-driven efforts to community-driven efforts.

- a. Appoint a follow-up Neighborhood Revitalization team in each area. The team should blend community representation – both an active resident and a representative from a neighborhood organization, the Neighborhood Service Center administrator, and one coordinating person within NBD staff. This team should be responsible for fielding issues as they arise, and connecting with the appropriate City Department to address such issues.
- b. In addition to the more formal follow-up team structure, support ongoing grassroots efforts. Connect with technical assistance providers to build capacity of community organizations and depth of the local volunteer pool by providing scholarships for community representatives in each FIS Area to attend leadership trainings offered by the United Way or other organizations; alternatively, develop a curriculum like the Philadelphia City Planning Commission’s Citizens Planning Institute. Maintain the mini-grant program to support community-driven projects, either physical or program-oriented.

These first two recommendations (1.1 and 1.2) outline the City’s continued involvement and investment in the original four FIS areas, if perhaps at a reduced dollar value, depending on need and opportunity. The next three recommendations (2.1 - 2.3) outline action steps for decisions to take on one or maybe two new territories for focused investment, remaining careful not to over-extend limited resources.

The recommendations in the first two categories of strategies are not mutually-exclusive but rather complementary.

“We can’t walk away – we must protect our investment.

Each area needs its own plan for what comes next to help hold the City and the communities accountable.”

- FIS Administrator

“No one has talked to people who stayed. FIS is why some of them stayed. They are part of the maintenance solution.”

- Community Leader

CITIZENS PLANNING INSTITUTE (CPI)

CPI is the education and outreach arm of the Philadelphia City Planning Commission. CPI’s main programming is a seven-week course that empowers citizens to take a more effective and active role in shaping the future of their neighborhoods and of Philadelphia through a greater understanding of city planning and the steps involved in development projects. Every participant completes a neighborhood project prior to graduation.

citizensplanninginstitute.org

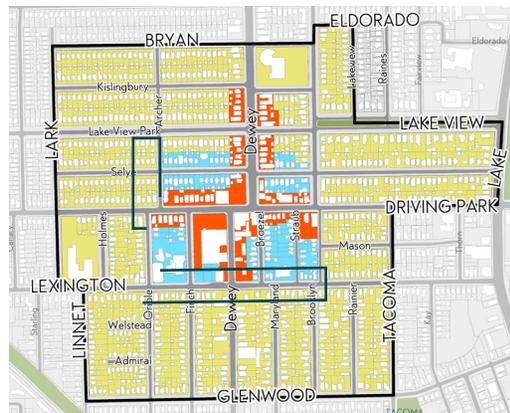


2) Select an Area(s) for Future Focused Investment

2.1 Take on fewer areas. The FIS learning curve was steep, and the program goals aimed high. Operating the program in four areas taxed staff resources and stretched program dollars. Given this study's recommendation to continue targeted revitalization efforts in the original FIS Areas, if perhaps at reduced levels, be conservative in designating new areas for focused investment. If there is political will to add more than one new FIS area, consider a blend of a high-need FIS area (similar to the original four areas) and a more stable, truly "transitional" or "transitioning" area that offers the possibility of a shorter time horizon for achieving vibrancy. The selection of new areas for focused investment should be data-driven and informed by staff research and expertise, occurring independent of the political process, but with buy-in and support from City leadership. Demographic trends, such as the influx of new Americans in Dewey Driving Park, could be one such indicator of a transitioning neighborhood that might support population and market growth.

FIS provided funding in the red and blue areas, but in some cases, that meant neighbors directly across the street could not receive grants to improve their properties.

- Priority Area
- FIS Area
- Impact Area



“The shape of the area matters. Cutting streets or corridors in half is un-neighborly.” - Community Partner

“We need to learn from the mistakes, and then replicate. That’s a positive – that we are in a position to do so.” - Community Partner

2.2 Devise an entry strategy built upon lessons learned from FIS, such as:

- a. Seek areas where there is an opportunity not only to build upon unique assets, but also where there is potential for larger-scale projects that can effect catalytic change. The opportunity to leverage City investment is a key ingredient for success. This upside potential for redevelopment could be for residential, commercial, or mixed use, or could be driven by planned infrastructure investments such as those slated for East Main Street where redevelopment of highly visible and/or historic sites would also signal to neighbors and passersby that major change is afoot. Known developer interest in a potential project or a significant planned future investment could be one indicator of upside potential.
- b. Use neighborhood plans as a basis for future focused investment. Develop a comprehensive neighborhood plan at the outset; identify opportunities for smaller-scale investments (rehab, infill, community gardens) as well as larger redevelopment or infrastructure improvement opportunities such as those described in the bullet point above. Design special improvements for high-profile corner properties. Research tax status, owner location, and owner-occupancy to help determine the universe of eligible properties – and thus potential for change – before drawing target area boundaries. In a transitional area, seek stable blocks where there are a few properties threatening to cause block conditions to decline. In a more distressed area, stabilization efforts will likely need to touch more, if not most, properties, and the investment schedule will thus require sustained effort over time. Use the initial research to inform metrics of success for program partners. Such pre-planning could be neighborhood-driven or initiated by the City but informed by community input.
- c. Include properties on both sides of border streets when drawing target area boundaries. This will reduce tensions between FIS “haves and have-nots” and allow improvements to benefit blocks holistically.
- d. Consider Census geographies when drawing target area boundaries. While neighborhoods and sub-neighborhoods rarely follow Census boundaries, the closer a match between target area geography and Census geography, the easier it will be to track demographic data overtime. Because the original FIS Areas are so small in size and so divorced from Census geography, this Evaluation utilized ESRI software to down-sample Census data where possible in order to tailor data to the FIS boundaries.

2.3 Seek areas with strong community partners poised to collaborate with the City and complement public investments. Engaged residents, organized and excited about change coming to their neighborhood will help enrich the program from day one. Demonstrated local capacity (or capacity built through the FIS planning and implementation process) will help position neighborhood organizations as stewards not only of the physical investments but also of a community infrastructure that can help sustain an active and engaged network of neighbors after the period of focused investment sunsets. Work with community partners to tailor new program components that speak to local needs. In addition to strong community partners, seek areas with possible institutional partners (such as a hospital, university, or major employer) who have the financial capacity and a geographic interest in investing or developing locally as well.

3) Integrate New Program Components

3.1 Remain open to new program elements. As stated above, implementation efforts in the first four FIS areas demonstrated that a one-size fits all approach would not succeed. Work with the community from the outset to identify local issues and design program tools to respond accordingly. Remain aware of the limitations of various funding sources, and identify new grant opportunities to fund program components that are not eligible uses of CDBG or City Cash Capital, such as community capacity building efforts or human services to complement brick-and-mortar physical investments.

“I am always impressed by the knowledge and wisdom of block captains – we just need help translating what they know into policies and programs that offer solutions to community needs. How can we funnel up?”

- Community Development Practitioner

3.2 Invest in education for community residents and property owners. Conduct home maintenance trainings required for grant recipients (like post-purchase homeownership counseling) but open to all interested residents. Educate grant recipients about the process and importance of interviewing contractors, and about expectations and rights regarding work quality and guarantees. Clarify how to report complaints on work completed. Create a curriculum that develops the business acumen of local landlords. Connect residents or emerging leaders with programs that build their capacity as advocates and partners in implementation.

3.3 Continue to seek the right partner to support sustained community building and engagement. The first four FIS areas had markedly different community infrastructure at the outset of the program. In Marketview Heights, the Collective Action Project was already in existence and remains active to this day. In Beechwood, the Beechwood Neighborhood Association grew in strength and reach, as did Changing of the Scenes in Jefferson. In Dewey Driving Park, the community landscape was more complex at the intersection of two neighborhoods of varied capacity and involvement – Maplewood and Edgerton. The recently formed Dewey Driving Park Merchants Association suggests a new sense of unity and increased participation by area businesses.

In some areas more than others, the City stepped in to facilitate community involvement and programming, but the City is not well suited for the role of organic grassroots organizing and capacity building, and program funding restrictions made out-sourcing this task a challenge. Seek a partner skilled in technical assistance, leadership training, programming, and event planning to collaborate with constituents in each area, enabling local community capacity to take root and grow.

“It takes a particular skillset and mindset to be effective with public outreach and community building. This is not the City staff’s role. We need the grassroots presence.”

- Community Development Practitioner

“I would like to see more dollars go into the social part of the project for programs.”

- Resident Leader

3.4 Consider a matching grant program to cultivate ownership and involvement in community projects.

FIS instituted a matching grant program only for business assistance loans and investor-owned properties. Feedback from some community leaders and partner organizations suggested that a matching grant for owner-occupants would also be of value so that grant recipients would be more invested in the work and thus more likely to maintain the investment. While a financial commitment might prove too much a deterrent, evaluate the possibility of a matching grant program that accepts a dollars and/or volunteer time toward community projects. Sweat equity could be applied to one's own property, another person's home, a public space, or an event or program; volunteer opportunities for a range of skills, mobility, and age groups would be necessary.

3.5 Explore new incentives and promote existing programs to encourage owner-occupant home sales,

thus combatting absenteeism and disinvestment by long-distance landlords. Consider a ten-year tax abatement in which the first five years of property taxes are forgiven, and the next five years of taxes are phased in 20 percent each year. Offer soft second subsidies to local housing developers such as the Greater Rochester Housing Partnership, available only for owner-occupants and forgiven if the homeowner stays in the house for at least five (or 10) years. Work with a local bank to create a high-risk loan pool or to develop a rehab loan product at below-market rates for smaller multi-family properties (two to four units) provided that one unit be owner-occupied. Encourage contributions by corporations to support developers of homeownership units.

Within the FIS Areas, increase intentional marketing of existing programs such as the Home Purchase Assistance Program (HPAP), which offers up to \$3,000 for closing costs to income-eligible first-time buyers in the City of Rochester. Work with area employers to promote or further incentivize Employer Assisted Housing Initiative (EAHI) offerings specifically in FIS Areas. Depending on the employer, EAHI grants to homebuyers can be worth more than HPAP; for example, employees of the University of Rochester can receive up to \$9,000.

3.6 Incorporate new and improved design and construction techniques.

Build upon the design standards developed in the first phase of FIS that encouraged three-color design and attention to details to boost curb appeal with new guidelines that encourage green construction practices, energy efficiency, and long-lasting building materials such as metal roofs or HardiePlank.

4) Refine Internal Operations + Program Administration

4.1 Allow for flexibility in implementation and resource allocation.

While equity in funding allocations across the four FIS Areas was a program goal driven by political necessity and reiterated in the Interim Report, in practice, the needs and opportunities of each area varied, and funds allocated differed accordingly. Going forward, build in some wiggle room in program expenditures by use and in sum, to be informed by a data-driven analysis by City staff.

4.2 Clarify program intent and goals, accounting for neighborhood conditions.

Embrace transparency in framing the next phase of focused investment. The end goal of the first phase of FIS was neighborhood vibrancy and market strength such that the private market could step in to continue the City's work, but the distressed conditions of the neighborhoods chosen first required stabilization before true revitalization and vibrancy could take root. Reiterate or clarify program goals at the outset, specifically in the context of existing conditions of the FIS Areas (original or new). Use data collected and analyzed for this Evaluation to help define measurable success and benchmarks that signal that stabilization, revitalization, and vibrancy have been achieved to the extent that the City can hold back and let the private market step in to carry the work forward in collaboration with organized community stakeholders.

“The work is not done, and we need to articulate what done is.” - Community Partner

4.3 Rededicate staff time with full participation by multiple City departments.

As noted in the first recommendation, a decision to continue with a focused investment program must be accompanied by dedicated staff time from multiple departments. The outcomes of the first phase of the program were enriched by participation by staff from RPD, DES, and DRYS in addition to NBD. The City should examine ways to enlarge the focus and enhance the management and oversight of a future focused investment program.

Given the City's charge to the NBD Planning Division to nurture a stronger multi-disciplinary environment relative to community and neighborhood planning and development, the Planning Division could provide a more strategic oversight of the program to establish a more comprehensive

and holistic approach to investment areas (see recommendation 2.2b) and encourage greater synergy across multiple departments/divisions. The Housing Division should remain a key partner, leading in housing innovations and rehabilitation programming, but within a larger framework that includes community development implementation beyond individual housing structures, such as landscaping, streetscaping, community engagement, and transportation. The purpose of this recommendation is not to diminish the influence of any one department or division, but rather to strategically capitalize on the comparative advantages for each facet of City Hall.

With the Warren Administration’s new emphasis on combating poverty and changing life outcomes of low-income residents, recruit participation by representatives of the Rochester City School District and from the Monroe County Health Department and Department of Human Services as well to help round out physical investments with programs and services aimed and enhancing life opportunities for residents.

4.4 Clearly identify data tracking variables at the outset; then collect data regularly.

Because the FIS program was active in four different areas of the city with different staff responsible for coordinating the work, records were kept in different files and formats. Build a project management database at the outset that tracks all variables to be measured in future program evaluations, including population served and dollars leveraged through program blending (both data points not sufficiently included in this study due to difficulties in recreating the data). Formalize survey methodologies such that baseline observations can be measured fairly against future conditions.

Lastly, consider joining the National Neighborhood Indicators Project (NNIP) through a collaboration between the Mayor’s Office of Innovation and Strategic Initiatives (OISI) and a local research institution or broad-based nonprofit in Rochester. Potential partners include ACT Rochester, the Center for Governmental Research (CGR), the University of Rochester, or the Rochester Institute of Technology (RIT). See the call out box here and Appendix IX for additional detail about NNIP and alternative data tracking systems utilized by the peer cities studied for this evaluation effort.

“Evaluate quickly and often and be nimble enough to readjust and re-deploy.”

- Community Development Practitioner

NATIONAL NEIGHBORHOOD INDICATORS PROJECT

Both Cleveland and Pittsburgh are NNIP partner cities and as such, join with 28 other U.S. cities “in a peer learning network of local organizations that share a mission to improve low-income neighborhoods by empowering residents and local institutions to use data in their community building and policymaking.” NNIP was established in 1996 and is coordinated by the Urban Institute, a non-profit think tank based in Washington, DC. In May 2016, the Urban Institute formally released a new publication, NNIP’s *Guide to Starting a Local Data Intermediary*. A link to the publication may be found on the NNIP website:

www.neighborhoodindicators.org

The Guide reports that “about a third of active NNIP partners are in university research centers, a third are nonprofits, and the remaining third are a mix of other institutional forms and collaborations.” There are three major categories of activities for NNIP’s local data intermediary partners:

- **Assemble, transform, and maintain data**
- **Disseminate information and apply the data to achieve impact**
- **Use data to strengthen civic capacity and governance**

Particularly relevant for Rochester is the use of data collected by NNIP local partners to target investments and strategies to neighborhoods where funds can be used most efficiently. Moreover, NNIP local partners typically retain data over time, which enables the monitoring of trends related to properties and neighborhoods over time. These functions performed by a local data intermediary would provide Rochester officials with consistent data to monitor and evaluate neighborhood changes over time.

Also applicable for Rochester is the information dissemination function of NNIP local partners. As described in the Guide:

“The intermediaries can help stakeholders identify emerging issues; efficiently target resources and investments; and analyze local conditions, programs, and policies. Intermediaries also use the data to motivate disparate stakeholders to see solutions they had not recognized before and to open doors for them to work together on a common agenda. Finally, they support longer-term endeavors, such as helping stakeholders use data to inform the design, program management, and evaluation of comprehensive community initiatives.”

NNIP local partners consolidate and make data available – usually on an open source basis – to address a broad range of topics such as student performance, crime, public assistance, and housing markets, in a one-stop shop for local officials, representatives of community-based organizations, corporations, academic researchers, and other users in the community. When data are more confidential, these data intermediaries compile them to levels assuring that privacy is respected.

Participation by a local Rochester NNIP partner could ensure a steady flow of data to assist with funding decisions involving limited resources and help to identify pressing problems and target funds to address them. Evaluation of the impact of program initiatives would be available annually. While most NNIP local partners commence by gathering data related to housing and community development, most expand over time to collect data that are indicators of both physical and social problems and issues. Property level data enable responses to be fine-tuned to address specific problems at the neighborhood level.

4.5 Rework the grant application paperwork. Multiple community partners stressed that the grant application materials should be more user friendly for elderly residents and people with lower levels of educational attainment. Integrate more white space between lines to create forms that are easier to read, understand, and complete.

4.6 Improve timeliness in payments to program partners and contractors. Another administrative suggestion that arose multiple times was that the payment process be streamlined to the extent possible. As many FIS contractors are smaller local businesses, lengthy delays in payment can create cash flow problems. Likewise for the non-profit community partners.

4.7 Identify and celebrate progress. Early on, the City made a decision not to explicitly brand FIS-sponsored improvements as such so as not to stigmatize neighborhoods in the process of revitalization. While the intention was good, the decision had the unintended consequence of limiting public awareness of the program (including among near neighbors). And in some areas, community partners felt that, in fact, signage or indications of “FIS at work!” would have further boosted community pride and visibility in a positive way. Involve the City’s communications team from the outset in future iterations of the program to help devise creative ways to signal exciting neighborhood change both online and in the real world, and without any stigma. Encourage annual events in each FIS Area, like the Marketview Heights Collective Action Project roving block party, which moves from one street to another each year and is open to all members of the community.

4.8 Use this FIS Evaluation as a framework for evaluating future FIS initiatives. In addition to the metrics quantified in this study, track and measure data on population served and dollars leveraged by community partners, as well as other metrics that may emerge as relevant.

5) Seek Partnerships that Leverage Additional Investment



The Market Apartments at Corpus Christi (top) and Holy Rosary Apartments (above) are both examples of significant LIHTC adaptive-reuse projects leveraged by FIS. In both cases, highly visible buildings that contribute to the historic character of the neighborhoods were not only preserved, but brought back to life.

5.1 Continue to pitch great LIHTC projects to the State. Work with developers to assemble a pipeline of sites for Low Income Housing Tax Credit applications, targeting a submission of a Rochester priority project every year. Package the tax credits with resources from the Federal Home Loan Bank and Rochester Housing Authority Project-Based Vouchers to create feasible projects without committing scarce City dollars, while still directing significant investment toward areas designated for focused investment.

5.2 Work with developers on 80/20 residential rental developments to foster a mix of incomes in FIS Areas. “80/20” projects comprise 80 percent market-rate units and 20 percent subsidized units set aside for households with incomes at 50 percent or less of the Area Median Income. The State Housing Finance Agency offers tax-exempt financing for these developments as well. Housing Authority subsidies can be applied here too.

5.3 Pursue new sources of funding. Tap into the Finger Lakes Regional Economic Development Council with an application for an Empire State Development Grant to support capital-based economic development projects that create or retain jobs, reduce unemployment, and/or increase business or economic activity in the community. A project suited for this funding source will dovetail with the R-MAPI anti-poverty initiative unfolding in Rochester and Monroe County.

5.4 Work with community based organizations to encourage blending. Pair City programs with others available through non-profits to serve a greater range of needs and provide additional grant dollars for applicants. Through this model, partner organizations helped deliver interior improvements to FIS grant recipients who would otherwise have been restricted to exterior work on their properties. Leverage Community Development Financial Institution (CDFI) dollars to complement FIS-funded small business assistance. Track all instances of blended grants, as these dollars were not recorded systematically and are thus not captured in this evaluation of FIS.

Next Steps

- I Review the evaluation findings and recommendations with residents and stakeholders in each of the four FIS Areas.** Residents and community organizations in the four FIS Areas noted a sense of lack of closure regarding the FIS program, which this FIS Evaluation helped to alleviate by providing opportunities for reflection and input. However, it is important that residents receive a final report back on the FIS Evaluation and next steps they can expect to see in or near their area.
- II Chart the next steps of focused investment in Rochester.** City staff will meet to map out a process for continuing work in each of the original four FIS Areas. Work will involve neighbors and community partners at the outset to brainstorm about current needs and tailor the next phase of investment to each area.
- III Coordinate with the Rochester-Monroe Anti-Poverty Initiative.** As the target area for the R-MAPI pilot work is identified, explore opportunities to align continued FIS investment to complement the people-based and community-based services with physical investments in the neighborhood.

“Human services programs to combat poverty are what FIS has been lacking. We need to lift people up through new opportunities. In the FIS areas, we now have a healthier physical environment that is better to launch from. We created places that can foster prosperity.”

- FIS Administrator

- IV Integrate the FIS Evaluation recommendations with Rochester 4.0 strategies.** Rochester’s comprehensive plan update is still in the very early stages. This FIS Evaluation should serve as one of many inputs to the planning process, and when it comes time to recommend strategies that pertain to housing, neighborhood revitalization, community building, data tracking, and continued targeted investment, consider the recommendations contained in this study as guidance.
- V Keep up the good work!**

For additional data and maps, see the Appendices under separate cover:

- I) 2008 Housing Policy**
- II) Glossary of Acronyms**
- III) Public Process**
- IV) FIS at Work in Marketview Heights**
- V) FIS at Work in Beechwood**
- VI) FIS at Work in Dewey Driving Park**
- VII) FIS at Work in Jefferson**
- VIII) Mapping Change in the Control Areas**
- IX) Comparison City Case Studies**

Questions about the FIS Evaluation?

Contact:

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