A note from the neighborhood

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Late in the 1990s, Mayor Norquist's chief of staff said there is no gentrification in Milwaukee. It was before the real estate bubble began its exponential growth, collapsing in 2008. It was at a moment when City Hall correlated community development success with increasing assessments; a time when the tacit assumption was a little gentrification is good.

While out-of-state lending was still in its infancy, with few local lenders capable of understanding how to value much of Milwaukee's duplexes, low value rental housing market landlords snapped up multi-unit rentals often near higher value historic districts where "comps" were high. They could acquire, rehab and refinance dozen-home Ponzi schemes at a time when housing was the only economic driver in the central city. City Hall understood the risks and even prosecuted a few notorious property flippers; Stanelle and Bonds were nearly household names among those in City Hall.

As the new century unfolded after 9/11 and interstate banking took hold, supported by late night, get-rich-quick-investment TV schemes, the imagination of home flippers ran wild. The stage was set for the last of 3 great convulsions in 20th century Milwaukee. Prosecuted flippers were replaced with HGTV shows on the topic.

What is gentrification? Is it as simple as pushing poorer members of a community out in favor of richer ones? Is it the outcome of large projects supported by city hall after outsiders trigger real estate speculation, or when a new coffee house moves in? We all know it when we see it but how is "it" quantified and are there certain thresholds or tipping points we can point to?

There are few residents who would argue against living in a safer neighborhood with walkable stores that sell more than chips and blunts. A leader of Milwaukee's community development scene said rising values are good for all homeowners. But at what cost and more importantly, do increased property values always lead to improvements? The real estate bubble of 2008 proved there is no correlation.

Gentrification is no intrinsically evil mystery if everyone understands who is working with whom, who's investing, subsidizing, profiting, and ultimately holding equity and building wealth. And most importantly, who's left out. Thus, trust and sense of betterment for all is the best social outcome.

Unfortunately, Milwaukee's low income homeowners, the foundation of resilience in many minority neighborhoods, have lost considerable ground and leverage in policy circles over the past decade. In fact, it could be argued that Desmond's book "Evicted", by shining a light only on renters, supports neoliberal notions of poverty and dependency without offering substantive alternatives beyond subsidized rentals where the subsidy ultimately accumulates with an investor elsewhere.

Additionally, there are few communities where a comprehensive set of community development tools are employed. Today, affordable housing policy in Milwaukee is a jumble of strategies unevenly deployed with unclear costs and outcomes.

Perhaps efforts can be broken into 2 groups; 1. affordable housing that enhances tax base while serving an underserved population and 2. stabilizing neighborhoods with gentle triage. (An often-uncited goal is to support a functioning market rate housing complete with growing assessments.) The former is often anchored in expanded programs of faith-based nonprofits and the latter is often based in CBO/CDC programs looking at a specific housing market. Rarely do strategies examine a housing market in a given community to assess comprehensive sets of needs or tools to support the broadest base. Never are policies enacted that reinforce the relationship of persons to their homes and therefore communities.

With claims of ever-diminishing resources, policy makers attempt strategic and catalytic projects positing that experience dictates this is the best path. In most instances, City Hall responds to either; 1. crises or 2. when there's tax base growth associated with development proposals. There are no strategies that support minority communities with equity and income growth commensurate with tax base growth.

Policy grounded in economic principles or wealth accumulation in minority, low income communities are absent since assumptions of poverty prevent it. A case in point may be the recent Sherman Park proposal for investors to purchase InRem properties that left the community out of the equation.

The model described in The Nation has no parallel in Milwaukee that I am aware of for a few reasons. While the story inferred similarities to suburban association housing models it is also along a continuum that includes condominium and coop living approaches where trust, risk and costs are shared.

To be fair, the coop model that pools risk and spreads investment costs over a larger group don’t directly address the challenge of low value real estate in this city. Many own duplexes for less than $50k and defray costs by renting a unit out, resulting in housing cost that are nil.

In Milwaukee, coop and condominium models that employ such techniques are often dismissed, as policy makers reflect on the challenges of the past. North Meadows was long referred to as North Ghettos, Westside Housing Coop's collapse in the '90s and this decade's failed West End SoHi development at N 27th St. & Wells make proponents pause.

That’s all for now- too many themes to expand on with handheld technology.