



**A Housing Market Analysis of  
the Boston-Edison Historic District  
Detroit, MI**

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## **I. INTRODUCTION**

The following report is an analysis of the Boston-Edison neighborhood, provided at the direction of the Next Detroit Neighborhood Initiative. While one of the most historic residential neighborhoods within the city, the Boston-Edison community faces many of the same demographic, economic, and social challenges that are prevalent throughout Detroit.

These challenges center around the ability of the Boston-Edison neighborhood to maximize its positive attributes, maintain home values, and attract new residents to the neighborhood that will continue the historic traditions that have been present within this community since the early part of the last century.

In order to address these challenges, this report will provide some background information and analysis on the neighborhood, examine the neighborhood's positive and negative attributes, define the prevalent characteristics of the area's population and families through the use of ESRI Tapestry analysis, and present some recommendations for the ongoing stability for the neighborhood. This analysis will also identify specific issues and initiatives within the City of Detroit that may have a direct impact upon the neighborhood and its long-term viability.

## **II. NEIGHBORHOOD CHARACTERISTICS**

### **Neighborhood Boundaries**

The Boston-Edison Historic Neighborhood is found within the central section of the city, north of the New Center area and southwest of Highland Park. It is considered to be a part of the New Center area of the city. Bisected by Woodward Avenue, the entire district is bounded by West Boston Boulevard to the north, Linwood Avenue to the west, Edison Street to the south, and Woodward Avenue to the east. It is one of the largest residential historic districts in the nation.

For the purposes of this report, the subject area will only include the western half of the district (west of the Lodge Freeway).

With the exception of Woodward Avenue and select areas of Linwood Avenue, the subject area is entirely residential in character, populated primarily by older single family homes constructed during the first two decades of the last century. Very few vacant lots are present, and in comparison to most neighborhoods within the city the concentration of vacant homes is relatively low.

### **Neighborhood History**

One of the first historic districts in the city, the Boston-Edison neighborhood features many of Detroit's most historic homes. Spurred by development activity through Ford's Highland Park operations in the early 1900s, many of the firm's upper management decided to relocate within the neighborhood, conveniently located a short distance from the company's growing facilities.

Along with the Arden Park neighborhood, the Boston-Edison area rapidly became a preferable neighborhood for the city's most influential business leaders, celebrities, and wealthy residents. As a result the homes within the neighborhood were some of the most prominent examples of various architectural designs and styles that were prominent within the early 20<sup>th</sup> Century, including designs by Albert Kahn, Nathan Johnson, and other notable architects.

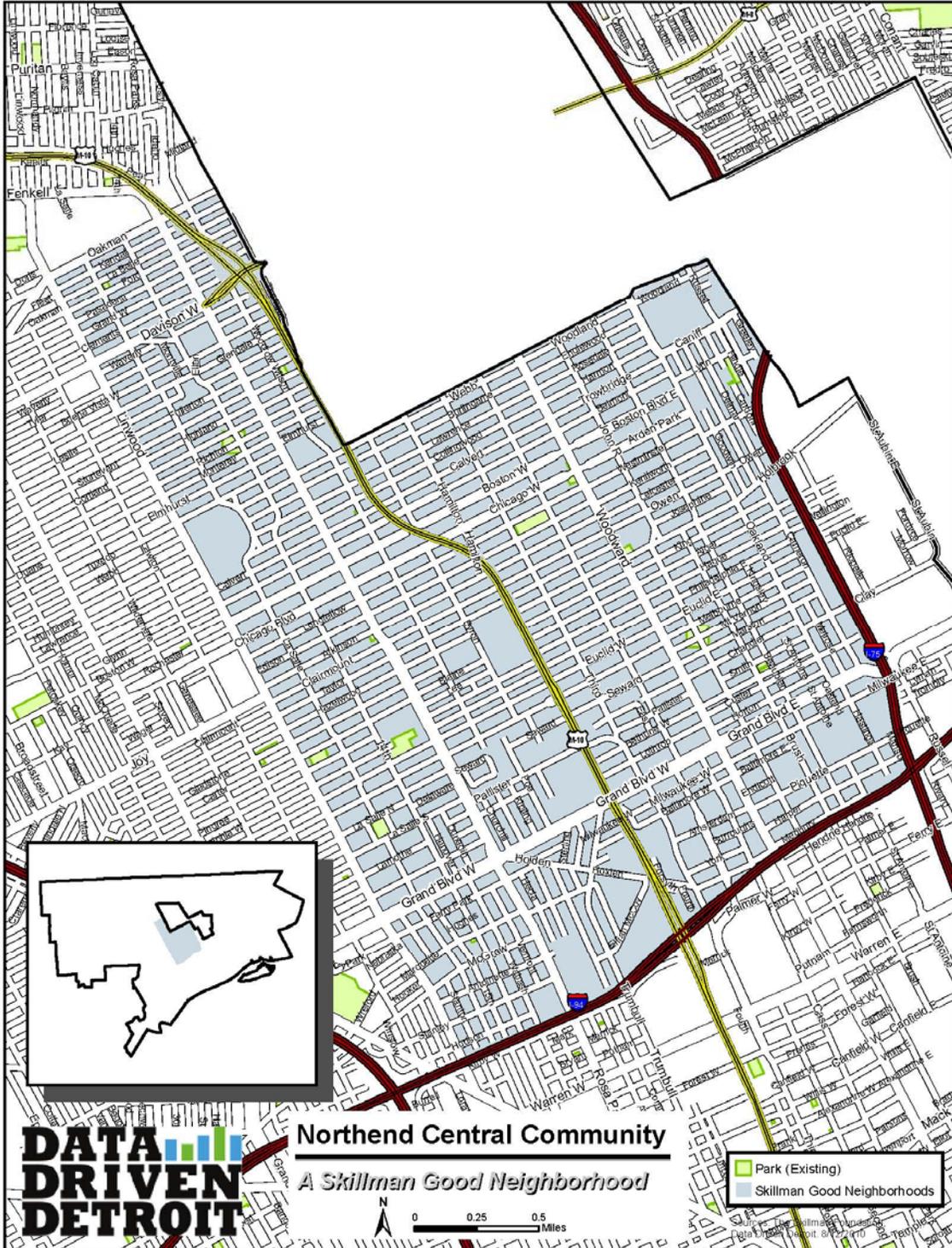
Some of the neighborhood's most prominent residents have included:

- Henry Ford, founder of Ford Motor Company
- Charles Fisher, founder of Fisher Body
- Horace Rackham, attorney, industrialist, and philanthropist
- Barry Gordy, Jr., founder of Motown Records
- Walter P. Reuther, labor leader, United Auto Workers
- John Wagner, founded Wagner Bakery, creator of “Wonder Bread”
- Sebastian Kresge, founder of S. S. Kresge Corporation (later called K-Mart)
- James Couzens – Mayor of Detroit & U.S. Senator
- Brace Beemer, the voice of the “Lone Ranger”
- Walter Briggs, auto manufacturer and owner of the Detroit Tigers
- Ossip Gabrilowitsch, first conductor of the Detroit Symphony Orchestra and son-in-law of Samuel Clemens

With the construction of the Lodge Freeway during the 1950s more than 40 homes within the neighborhood were demolished. Since that time the community has remained generally intact, a testament to the vitality of the neighborhood and its residents, particularly in comparison to many Detroit neighborhoods that have been decimated by arson, blight, and abandonment. This is not to say that these issues are foreign to the area. At least five to ten percent of the structures within the neighborhood are abandoned, and many short-term vacancies are also prevalent. The recent housing deflation has made home sales difficult, and most homes currently available have been on the market for longer than 18 months.

However, Boston-Edison is still considered a premier neighborhood for those seeking a high-end residential alternative within the city. This was illustrated most recently by the neighborhood's inclusion within an episode storyline of the current drama series “*Detroit 187*” on ABC Television.

Map 1: New Center and Boston-Edison Area



## Demographic Trends

Despite the relative stability of the Boston-Edison area, demographic trends have declined over the past two decades, and will likely continue into the near future. However, the positive attributes of the community will likely lead to a moderation of trends.

The target area’s current population is estimated at 1,467 persons, a decline of more than fourteen percent from 2000 totals. This is somewhat less than prevailing trends across the city, as well as the entire Boston-Edison neighborhood. Trends are forecast to continue into the next decade, with a projected population total of 1,380, a loss of more than 80 persons over the next five years. This implies further abandonment of currently occupied homes, as well as an aging population. While not ideal, these patterns are more moderate than the overall neighborhood and city projections, which indicate a higher percentage of population loss projected into the next decade.

**Table 1: Population Trends (1990 to 2015)**

	<b>Boston-Edison Neighborhood</b>	<b>Target Area</b>	<b>City of Detroit</b>
<b>1990 Population</b>	<b>5,226</b>	<b>1,716</b>	<b>1,027,984</b>
<b>2000 Population</b>	<b>4,856</b>	<b>1,692</b>	<b>951,270</b>
Percent Change (1990-2000)	-7.1%	-1.4%	-7.5%
<b>2010 Population Estimate</b>	<b>4,270</b>	<b>1,467</b>	<b>857,436</b>
Percent Change (from 2000)	-18.3%	-14.5%	-16.6%
<b>2015 Population Forecast</b>	<b>4,036</b>	<b>1,380</b>	<b>816,872</b>
Percent Change (from 2000)	-22.8%	-19.6%	-20.5%

SOURCE: 1990-2000 Census of Population and Housing, STF 1A/SF1, U.S. Census Bureau; ESRI Business Analyst.

The largest age cohort in 2000 in the PMA was the non-adult segment (age 0 to 19), which represented over 33 percent of the target area’s population. This is indicative of a family-oriented community, with larger family sizes and fewer single-person residential options (such as apartments or condominiums). The young adult segment (age 20 to 44) was similar in size, accounting for 32 percent of the 2000 population.

According to ESRI forecasts, through 2015, the age cohort of persons aged 45 to 64 is anticipated to experience the most growth. Within the target area, the number of persons in this cohort is expected to increase by nearly five percent in size from 2000 to 2015, reflecting those families aging in place. A similar pattern can be observed across the Boston-Edison area, as well as the city as a whole. The remaining age segments, including senior citizens (age 65 and older) are projected to decline sharply over the coming years. By 2015, the number of seniors is projected to decline by 22 percent within the target area, and by 14 percent across the Boston-Edison community. Citywide, seniors are projected to remain generally stable.

What this implies for the target area is the ongoing aging in place by the local population should be anticipated into the next decade. An influx of new homeowners, primarily families, would help to reverse this pattern somewhat, but prevailing demographic patterns across the city would be difficult to change. Only uniquely different neighborhoods of the city have been able to avoid a significant aging in place, and most of the regions are heavily influenced by immigration or ethnic identification (such as Mexicantown within the southwest region or the Chaldean communities near Seven-Mile Road). While the Boston-Edison area does not have such features, it must rely on the history and highly attractive housing stock that is present within the neighborhood to maintain a degree of vitality for both older households and younger families that may find the area an attractive place to reside.

**Table 2: Age Distribution (2000 to 2015)**

	<b>Boston-Edison Neighborhood</b>	<b>Target Area</b>	<b>City of Detroit</b>
<b>Age Less than 20 - 2000</b>	<b>1,419</b>	<b>571</b>	<b>322,182</b>
Percent of total 2000 population	29.2%	33.7%	33.9%
<b>Age Between 20 and 44 - 2000</b>	<b>1,503</b>	<b>545</b>	<b>346,672</b>
Percent of total 2000 population	31.0%	32.2%	36.4%
<b>Age Between 45 and 64 - 2000</b>	<b>1,138</b>	<b>344</b>	<b>183,360</b>
Percent of total 2000 population	23.4%	20.3%	19.3%
<b>Age 65 and Over - 2000</b>	<b>796</b>	<b>232</b>	<b>99,056</b>
Percent of total 2000 population	16.4%	13.7%	10.4%
<b>Age Less than 20 - 2015</b>	<b>1,044</b>	<b>431</b>	<b>256,200</b>
Percent of total 2015 population	25.9%	31.2%	31.4%
Percent change (2000 to 2015)	-26.4%	-24.5%	-20.5%
<b>Age Between 20 and 44 - 2015</b>	<b>1,143</b>	<b>408</b>	<b>271,164</b>
Percent of total 2015 population	28.3%	29.6%	33.2%
Percent change (2000 to 2015)	-24.0%	-25.1%	-21.8%
<b>Age Between 45 and 64 - 2015</b>	<b>1,164</b>	<b>360</b>	<b>192,371</b>
Percent of total 2015 population	28.8%	26.1%	23.5%
Percent change (2000 to 2015)	2.3%	4.7%	4.9%
<b>Age 65 and Over - 2015</b>	<b>685</b>	<b>181</b>	<b>97,137</b>
Percent of total 2015 population	17.0%	13.1%	11.9%
Percent change (2000 to 2015)	-13.9%	-22.0%	-1.9%

SOURCE: 2000 Census of Population and Housing, STF 1A/SF1, U.S. Census Bureau; ESRI Business Analyst.

The relatively high average household sizes present within the Boston-Edison neighborhood, and especially the target area, reflect the community’s notably higher concentration of families and lack of single-person housing units, as discussed previously. Between 2000 and 2015, household size within the target area is projected to increase by nearly two percent – to 3.27 persons per household. In comparison the statewide average household size in 2000 was 2.66 persons. If successful in terms of attracting additional families to the community, this statistic will likely continue to increase, despite an aging population.

**Table 3: Average Household Size (1990 to 2015)**

	<b><u>Boston-Edison Neighborhood</u></b>	<b><u>Target Area</u></b>	<b><u>City of Detroit</u></b>
<b>1990 Average Household Size</b>	<b>2.97</b>	<b>3.08</b>	<b>2.71</b>
<b>2000 Average Household Size</b>	<b>2.96</b>	<b>3.22</b>	<b>2.77</b>
Percent Change (1990-2000)	-0.3%	4.5%	2.2%
<b>2010 Average Household Size Estimate</b>	<b>2.98</b>	<b>3.26</b>	<b>2.81</b>
Percent Change (2000-2010)	0.7%	1.2%	1.4%
<b>2015 Average Household Size Forecast</b>	<b>2.99</b>	<b>3.27</b>	<b>2.81</b>
Percent Change (2000-2015)	1.0%	1.6%	1.4%

SOURCE: 1990-2000 Census of Population and Housing, STF 1A/SF1, U.S. Census Bureau; ESRI Business Analyst.

Through 2015, the number of households is projected to continue to decline within all three geographic areas. The number of households within the target area is expected to decrease by six percent during this time period, reaching 419 households by 2015. This implies that more than 100 homes within the target area will either be abandoned or vacant for sale or for rent. This does not seem likely, and based on field analysis and review of home sales data, this trend is more likely to be somewhat more moderate in terms of household decline. Citywide, however, the projections by ESRI indicate a decline of nearly 53,000 households over the 15-year period. This projection is likely, and may be an underestimation of the potential loss of families and households within the city over the next few years. What is likely to occur in the near future is a further separation of neighborhoods in terms of overall vitality, housing quality, and abandonment. The majority of population and household loss will occur in less-organized neighborhoods, while those with strong nonprofits, higher levels of home value, and available amenities/features will have a greater degree of stability. Or, will not experience dramatic declines in comparison to other areas of the city. It is our opinion that the Boston-Edison neighborhood is in the latter category.

**Table 4: Household Trends (1990 to 2015)**

	<b><u>Boston-Edison Neighborhood</u></b>	<b><u>Target Area</u></b>	<b><u>City of Detroit</u></b>
<b>1990 Households</b>	<b>1,713</b>	<b>557</b>	<b>374,064</b>
<b>2000 Households</b>	<b>1,601</b>	<b>522</b>	<b>336,428</b>
Percent Change (1990-2000)	-6.5%	-6.3%	-10.1%
<b>2010 Household Estimate</b>	<b>1,391</b>	<b>447</b>	<b>298,562</b>
Percent Change (2000-2010)	-13.1%	-14.4%	-11.3%
<b>2015 Household Forecast</b>	<b>1,310</b>	<b>419</b>	<b>283,644</b>
Percent Change (2000-2015)	-5.8%	-6.3%	-5.0%

SOURCE: 1990-2000 Census of Population and Housing, STF 1A/SF1, U.S. Census Bureau; ESRI Business Analyst.

As stated previously, the target area has relatively few rental housing units, with the vast majority of rental options consisting of single-unit homes for rent. No larger sized multiple-unit developments are present within this immediate area. Within the target area in 2000, there were 148 renter-occupied units, which represented 28 percent of all occupied units. The number of rental units actually declined by more than 25 percent from 1990 figures, no doubt due to local efforts to emphasize homeownership opportunities and convert attractive rental homes back toward homeownership opportunities. Conversely, a total of 374 owner-occupied homes were present within 2000 (which accounted for 72 percent of all units). The number of owner-occupied homes increased during the 1990s by more than four percent, reflecting this shift toward homeownership preferences. Current estimates by ESRI regarding household tenure indicate a shift in favor of rental units, perhaps a reflection of prevailing economic trends, or the possibility that rental homes would not be abandoned at the same rate as those homeowners that are facing economic distress or foreclosure. Without any specific explanation, these estimates by ESRI are somewhat suspect in terms of tenure division.

ESRI projections for the target area and the Boston-Edison neighborhood indicate sizable declines, and as stated previously are perhaps inaccurate. One trend that is suggested in the ESRI data is a slight shift back toward a lower concentration of rental homes, with a projected rental concentration of 28 percent within the target area, and 26 percent across the Boston-Edison neighborhood.

**Table 5: Household Trends by Tenure (1990 to 2015)**

	<b>Boston-Edison Neighborhood</b>	<b>Target Area</b>	<b>City of Detroit</b>
<b>1990 Renter-Occupied Households</b>	<b>521</b>	<b>198</b>	<b>176,132</b>
Percent of total 1990 households	30.4%	35.5%	47.1%
<b>2000 Renter-Occupied Households</b>	<b>408</b>	<b>148</b>	<b>151,781</b>
Percent of total 2000 households	25.5%	28.4%	45.1%
Percent change (1990 to 2000)	-21.7%	-25.3%	-13.8%
<b>2010 Renter Households-Occupied Estimate</b>	<b>376</b>	<b>135</b>	<b>139,366</b>
Percent of total 2010 households	27.0%	30.2%	46.7%
Percent change (2000 to 2010)	-7.8%	-8.8%	-8.2%
<b>2015 Renter Households-Occupied Estimate</b>	<b>343</b>	<b>117</b>	<b>132,860</b>
Percent of total 2015 households	26.2%	27.9%	46.8%
Percent change (2000 to 2015)	-8.8%	-13.3%	-4.7%
<b>1990 Owner-Occupied Households</b>	<b>1,192</b>	<b>359</b>	<b>197,932</b>
Percent of total 1990 households	69.6%	64.5%	52.9%
<b>2000 Owner-Occupied Households</b>	<b>1,193</b>	<b>374</b>	<b>184,647</b>
Percent of total 2000 households	74.5%	71.6%	54.9%
Percent change (1990 to 2000)	0.1%	4.2%	-6.7%
<b>2010 Owner Households-Occupied Estimate</b>	<b>1,015</b>	<b>312</b>	<b>159,196</b>
Percent of total 2010 households	73.0%	69.8%	53.3%
Percent change (2000 to 2010)	-14.9%	-16.6%	-13.8%
<b>2015 Owner Households-Occupied Estimate</b>	<b>967</b>	<b>302</b>	<b>150,784</b>
Percent of total 2015 households	73.8%	72.1%	53.2%
Percent change (2000 to 2015)	-4.7%	-3.2%	-5.3%

SOURCE: 1990 and 2000 Census of Population and Housing, STF 1A/SF1, U.S. Census Bureau; ESRI

In 2000, the racial distribution of the target area and the entire neighborhood was primarily African-American, with more than 90 percent of the population. This is not surprising, as the neighborhood is self-contained and does not include any other ethnic distinctions that are found within other sections of the city.

**Table 6: Population by Race (2000)**

	<b>Boston-Edison Neighborhood</b>	<b>Target Area</b>	<b>City of Detroit</b>
<b>White Persons</b>	<b>253</b>	<b>41</b>	<b>116,599</b>
Percent of total 2000 population	5.2%	2.4%	12.3%
<b>African-American Persons</b>	<b>4,482</b>	<b>1,615</b>	<b>775,772</b>
Percent of total 2000 population	92.3%	95.4%	81.6%
<b>Native-American Persons</b>	<b>14</b>	<b>4</b>	<b>3,140</b>
Percent of total 2000 population	0.3%	0.2%	0.3%
<b>Asian Persons</b>	<b>8</b>	<b>1</b>	<b>9,519</b>
Percent of total 2000 population	0.2%	0.1%	1.0%
<b>Other Race</b>	<b>27</b>	<b>11</b>	<b>24,199</b>
Percent of total 2000 population	0.6%	0.7%	2.5%
<b>Two or More Races</b>	<b>72</b>	<b>20</b>	<b>22,041</b>
Percent of total 2000 population	1.5%	1.2%	2.3%
<b>Total Hispanic Persons (any race)</b>	<b>39</b>	<b>5</b>	<b>47,167</b>
Percent of total 2000 population	0.8%	0.3%	5.0%

SOURCE: 2000 Census of Population and Housing, SF1, U.S. Census Bureau

The city has historically been primarily a family, homeownership community. This has remained the case over the past two decades, and is quite evident within the target area. In 2000, nearly 89 percent of all persons resided within a family household, as compared to 83 percent for the city as a whole. By comparison, other metropolitan areas such as Chicago or New York have significantly smaller concentrations of family residents.

Non-family residents are typically singles or non-related roommates within housing alternatives. Since very few apartments and rental units are present within the target area, this percentage is correspondingly low (at 11 percent). In addition, group quartered persons also account for very few persons within the neighborhood, as few options for such housing are located within the neighborhood.

**Table 7: Population by Household Type/Relationship (2000)**

	<b>Boston-Edison Neighborhood</b>	<b>Target Area</b>	<b>City of Detroit</b>
<b>In Family Households</b>	<b>4,121</b>	<b>1,505</b>	<b>788,411</b>
Percent of Total Population	84.9%	88.9%	82.9%
Householder	1,099	377	218,483
Spouse	541	150	89,660
Children	1,550	561	329,498
Other Relative	746	319	115,035
Non-Relative	185	98	35,735
<b>In Non-Family Households</b>	<b>611</b>	<b>178</b>	<b>143,158</b>
Percent of Total Population	12.6%	10.5%	15.0%
<b>In Group Quarters</b>	<b>124</b>	<b>9</b>	<b>19,701</b>
Percent of Total Population	2.6%	0.5%	2.1%
Institutionalized Group Quarters	109	0	10,509
Other Group Quarters	15	9	9,192

SOURCE: 2000 Census of Population and Housing, SF1, U.S. Census Bureau

At \$43,366, the median household income within the target area is notably higher than the overall citywide median. However, the balance of the Boston-Edison neighborhood exhibits significantly higher incomes, and as a result the overall neighborhood median income is notably higher, at \$49,831 (expressed in current dollars). Projections for median income levels indicate continued gains, but at notably lower levels than observed within the 1990s. The degree of growth within the target area will remain strong (and is by far the strongest rate among the three geographic levels illustrated). However, the average annual rates of growth are relatively low, and reflect not only the city’s economic trends, but are indicative of most income trends projected across the State of Michigan for the same period.

**Table 8: Median Household Incomes (1989 to 2015)**

	<b>Boston-Edison Neighborhood</b>	<b>Target Area</b>	<b>City of Detroit</b>
<b>1989 Median Household Income</b>	<b>\$26,960</b>	<b>\$28,198</b>	<b>\$18,742</b>
<b>1999 Median Household Income</b>	<b>\$41,923</b>	<b>\$31,410</b>	<b>\$29,545</b>
Total percent change (1989 to 1999)	55.5%	11.4%	57.6%
Annual percent change (1989 to 1999)	4.5%	1.1%	4.7%
<b>2010 Estimated Median Income</b>	<b>\$49,831</b>	<b>\$43,366</b>	<b>\$36,859</b>
Total percent change (1999 to 2010)	18.9%	38.1%	24.8%
Annual percent change (1999 to 2010)	1.7%	3.3%	2.2%
<b>2015 Forecast Median Income</b>	<b>\$56,247</b>	<b>\$52,124</b>	<b>\$45,840</b>
Total percent change (1999 to 2015)	34.2%	65.9%	55.2%
Annual percent change (1999 to 2015)	0.8%	1.2%	1.5%

SOURCE: 1990 and 2000 Census of Population and Housing, U.S. Census Bureau; ESRI Business Analyst.

**Demographic Summary**

Demographic patterns within the target area, and the Boston-Edison neighborhood as a whole, generally exhibit preferable patterns in comparison to the balance of the city. These patterns include higher household incomes, stronger family characteristics, high degree of homeownership, and positive household composition trends, among other positive influences. The neighborhood is losing population, but at a somewhat more moderate rate in comparison to other neighborhoods within the city that are much more distressed. However, the community is less diverse from an ethnic standpoint in comparison to the balance of the city.

## **Economic Patterns**

Like many Detroit neighborhoods, the target area lacks key retail and service outlets for local residents. While some establishments are found along Woodward Avenue, according to a recent review of local commercial establishments based on information on MapPoint, ESRI, Yahoo, and other mapping services these outlets do not include a full-service grocery, hardware store, or other general department store. The nearby area does feature a large number of restaurants, with a total of 55 establishments within a 1.5 mile radius of the target area. With the New Center region a short distance to the south of the target area, a wide range of medical needs can be met. Entertainment opportunities are also a short distance from the target area, ranging from collegiate athletics to the Detroit Symphony Orchestra.

The key component is the neighborhood's proximity to New Center outlets, as well as the utilization of Woodward Avenue as a primary artery within the city. These features are clearly advantageous to those that reside within Boston-Edison, and should be part of any promotional activities for the attraction of future residents to the area. An illustration of key linkages within the surrounding area is presented within the following maps, prepared by Jeff Jones of the NDNI staff.





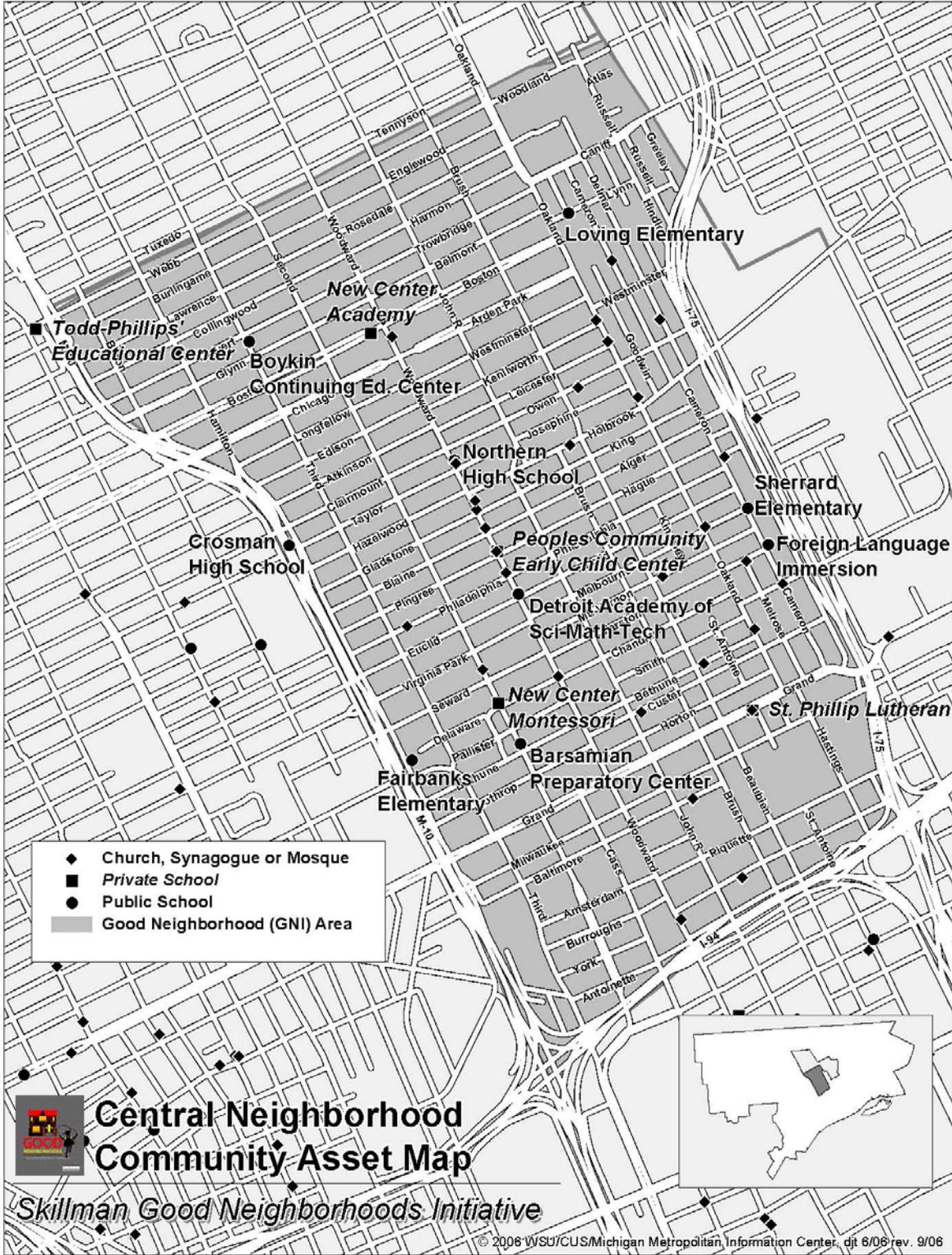
## North End Central Woodward Community Anchor Institutions

- Anchor Institutions**

  1. Focus HOPE
  2. Sacred Heart Seminary
  3. Williams Community Center
  4. Henry Ford Health System
  5. Cadillac Place/New Center
  6. Youthville
  7. Vanguard CDC
  8. Michigan Humane Society
  9. NAACP
  10. Family Place
  11. Considine Family Center
  12. Blessed Sacrament Cathedral







Other neighborhood characteristics are of importance, and provide an indication of the degree of attractiveness that the target area and surrounding neighborhood exhibits. These include the following items summarized within the following text.

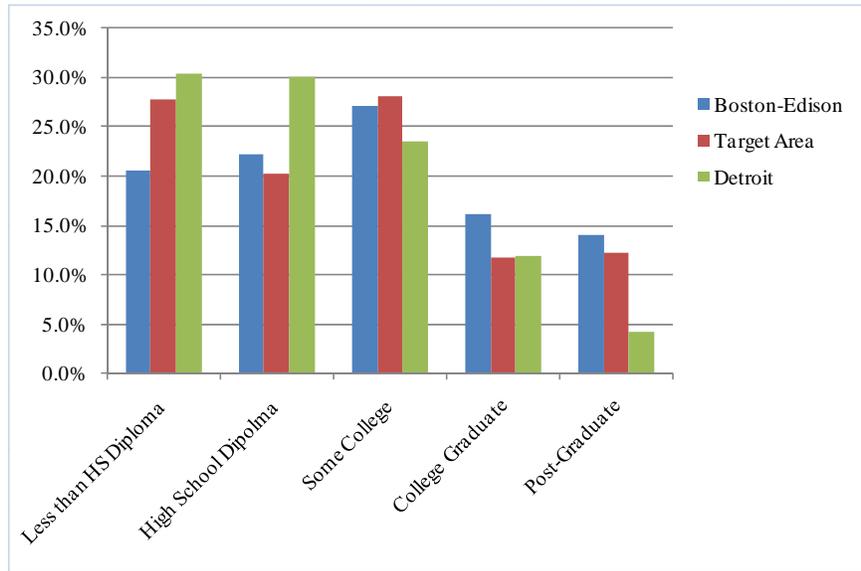
***Educational Attainment***

Comparing data from the U.S. Census Bureau over the past twenty years, a clear trend can be observed regarding the influx of higher-educated individuals, despite an overall decline in population totals over the past two decades. This is illustrated within the following table:

**Table 9: Educational Attainment (1990 and 2000)**

	<b><u>Boston-Edison Neighborhood</u></b>	<b><u>Target Area</u></b>	<b><u>City of Detroit</u></b>
<b>1990 Educational Attainment</b>			
Less than HS Diploma	29.8%	29.8%	37.8%
High School Dipolma	26.2%	33.0%	27.7%
Some College	19.3%	20.7%	19.7%
College Graduate	14.3%	10.1%	11.0%
Post-Graduate	10.4%	6.4%	3.8%
<b>2000 Educational Attainment</b>			
Less than HS Diploma	20.6%	27.8%	30.4%
High School Dipolma	22.2%	20.2%	30.0%
Some College	27.1%	28.1%	23.5%
College Graduate	16.1%	11.7%	11.9%
Post-Graduate	14.0%	12.2%	4.2%
SOURCE: 1990 and 2000 Census of Population and Housing, U.S. Census Bureau.			

**Chart 1: 2000 Educational Attainment by Population Percentage**



The subject area and the overall neighborhood feature higher levels of educational attainment. The area is most likely one of the most favorable in this category, even in comparison to those neighborhoods that contain Wayne State University or University of Detroit. In fact the subject area is within a short distance of both of these institutions, which should be promulgated as a strong attribute for the community.

***Crime Statistics***

Crime statistics for the community are available through the City of Detroit’s website, and can be accessed by address and type of crime. For November 2010 within a 1.5 mile radius of the center of the Boston-Edison neighborhood, the following criminal events were recorded by the city:

**Table 10: Crime Statistics – Boston-Edison and Surrounding Area – November 2010**

Description	Incidence	% of Total
Robbery	85	35%
Theft/Larceny	55	22%
Motor Vehicle Theft	11	4%
Burglary	34	14%
Car Break-in/Theft	30	12%
Assaults	28	11%
Arson	2	1%
Total	245	100%

Specific crimes were clustered to specific addresses, including much of the robbery reports and auto-related incidents. In general, this neighborhood features slightly higher levels of theft in comparison to other neighborhoods, but was well behind in terms of more serious crimes, such as homicide or rape. Please note also that the 1.5 mile radius includes more area that is outside of Boston-Edison than is within the neighborhood’s designated boundaries.

The inclusion of local security patrols and a greater instance of private security options for the large majority of residences have clearly made a positive impact upon these trends. What is generally different in recent times is the continued economic distress across the city, as well as the fact that the Boston-Edison community is perhaps perceived as a potential “target-rich” area for criminal activity, as compared to the less-affluent neighborhoods that are adjacent to the target area.

### ***ESRI Tapestry Information***

A method of describing the socio-economic patterns that are prevalent within a specific community has been developed by ESRI. Called Tapestry, this type of analysis uses a set of pre-defined descriptions that provide a convenient way to examine areas.

The Boston-Edison area is primarily occupied by households described as “Family Foundations”, representing 85 percent of all households within the area. Nationally this segment represents less than one percent of all households. According to ESRI, households described under the Family Foundations category have the following characteristics:

- Family is the “cornerstone of life”
- Average family size 3.3 persons – slightly higher than average
- Median age is 39.1 years, somewhat older than average
- Large majority are African-American
- Generally found within urban communities within the South and Midwest
- Most reside within single-family homes constructed prior to 1970
- Civic-minded and active within the community

The balance of the area (15 percent) is represented by households described as “Metropolitans”, described as follows by ESRI:

- Prefer to reside within older city neighborhoods
- Generally single or within a small family
- Median age is 37.6 years
- Generally white
- Primarily employed in professional occupations
- Above average college-graduate attainment level
- Most reside within older structures, primarily constructed prior to 1960
- Above average level of personal wealth
- Pursue active lifestyles with focus on civic causes

Upon review of these two categories, they appear to be a strong match for the vast majority of residents within the Boston-Edison area. These two categories should reflect positively upon the area’s ability to attract future residents, continue to remain an attractive place to live, and achieve a degree of stability that few neighborhoods within the city at this time could contemplate.

For more information on ESRI's Tapestry segmentation analysis, please visit <http://www.esri.com/library/brochures/pdfs/tapestry-segmentation.pdf> .

### **Economic Summary**

Economic characteristics of the local population are generally superior to the city as a whole, with higher educational attainment, somewhat lower crime statistics (within some categories), and generally positive attributes as measured by ESRI's Tapestry segmentation. Like most sections of the city, however, the immediate area lacks many outlets and service centers necessary for daily living. While such outlets and retail centers can be found within a short period of travel via auto or bus, very few are within walking distance. Culturally, the neighborhood's proximity to New Center should be perceived as a very positive characteristic, along with nearby medical and employment opportunities that are also within the New Center area.

## Housing Market Trends

The section will briefly provide a summary of recent sales activity within the Boston-Edison neighborhood, based on information available through [Realtor.com](http://Realtor.com) and other data sources. In addition, available data on rental housing within the target area and surrounding community will be highlighted.

### *Sales Trends*

According to a review of home sales information between November 2010 and January 2011 search on Realtor.com, a total of 35 properties were for sale within the Boston-Edison neighborhood. These range in price from approximately \$1.4 Million to a surprisingly low \$5,000 (foreclosure sale). Five of the 35 properties are in foreclosure (14 percent – well above national averages), and it is impossible to know if any other properties are currently in financial stresses or using a short-sale. These properties can be divided into four groupings:

- High-End Luxury Homes – priced at more than \$500,000 – two properties (six percent). The group includes those developments that have maintained value and are premier properties from either an historical standpoint and/or feature significant amenities and attractiveness;

Average Sales Price:	\$1,072,450
Average Size:	7,700 square feet
Average Bedroom/Bath:	7 bedrooms / 5 baths

- Upper-Value Homes – priced between \$150,000 and \$500,000 – two properties (six percent). The group includes developments that have maintained value and are somewhat more modest in terms of amenities and features as compared to the previous category;

Average Sales Price:	\$372,000
Average Size:	4,735 square feet
Average Bedroom/Bath:	5 bedrooms / 5 baths

- Moderate-Value Homes – priced between \$50,000 and \$150,000 – 14 properties (40 percent). This segment includes a wide range of property characteristics, but generally have maintained some degree of value over time;

Average Sales Price:	\$73,375
Average Size:	3,161 square feet
Average Bedroom/Bath:	5 bedrooms / 4 baths

- Lower-Priced Homes – 17 properties (49 percent). These homes are in some degree of disrepair, are in foreclosure, are in a short-sale situation, or have some other “mitigating” factor. Most in this category list required repairs.

Average Sales Price:           \$30,300  
 Average Size:                   2,761 square feet  
 Average Bedroom/Bath:       5 bedrooms / 3 baths

The following map illustrates the sales data:

Red represents homes priced less than \$50,000  
 Blue represents homes priced between \$50,000 and \$150,000  
 Green represents homes priced greater than \$150,000

**Map 2: Home Sales within Boston-Edison Area**



Sales are somewhat clustered, but no clearly evident pattern is discernable, outside of the general pricing of homes within the target area (west of The Lodge Freeway) below \$150,000, as well as a greater number of homes available for sale within the target area, as compared to the entire Boston-Edison neighborhood.

The currently economic downturn and corresponding home values have perhaps provided an opportunity for those with the resources to relocate to the Boston-Edison neighborhood with a minimal contribution. In a normal economic and housing climate it is likely that costs and availability of homes would prohibit a wide range of participation within this marketplace. While prices are depressed, it should be perceived as a unique opportunity for the target area receive an influx of new residents that will help reinvigorate the community and continue the neighborhood's tradition as a premier address.

It should be noted as well that homes that are sold within Boston-Edison, among many other neighborhoods, are eligible for tax breaks ranging from 18% to 35%, depending upon the area and other specifics, as part of the Detroit Neighborhood Enterprise Zone initiative (NEZ). This should provide additional impetus for potential homeowners to relocate.

An issue that has not been discussed is the utility cost prevalent within the target area. Given the relatively aged status of most of the housing stock, the potential utility costs may be higher than average. However, with attention to weatherization efforts and the positive impact rehabilitation can have on utility costs, these issues can be somewhat minimized.

### ***Rental info***

As indicated previously, the Boston-Edison area has relatively few rental housing options. The renter household percentage within the target area, as of 2000, was 28.4%, according to the U.S. Census. This was a decrease from the 1990 renter percentage of 35.5%. No apartment buildings are present within the target area, and rental housing options are much more prevalent within nearby areas, so the development of new rental housing or the conversion of existing homeownership opportunities into rental housing should not be perceived as a highly viable development alternative.

The most common measure of rental housing cost is the median contract rent, which only includes the cost to rent, without any consideration regarding any associated utilities. The following table shows previous and projected rental rates, based on historical trends.

**Table 11: Median Rent Trends**

	<b>Boston-Edison Neighborhood</b>	<b>Target Area</b>	<b>City of Detroit</b>
<b>1990 Median Contract Rent</b>	<b>\$254</b>	<b>\$245</b>	<b>\$265</b>
<b>2000 Median Contract Rent</b>	<b>\$345</b>	<b>\$339</b>	<b>\$383</b>
Total percent change (1990 to 2000)	35.8%	38.4%	44.5%
Annual percent change (1990 to 2000)	3.1%	3.3%	3.8%
<b>2010 Projected Median Contract Rent</b>	<b>\$469</b>	<b>\$469</b>	<b>\$554</b>
SOURCE: 1990 and 2000 Census of Population and Housing, STF3/SF3, U.S. Census Bureau; CRS			

The prevailing rent levels are most likely a reflection of available rental units, rather than an indication of the potential value of rental housing that would be considered modern and attractive to potential residents.

Most rental information is available on a per-unit basis, either by a management firm or realtor. Based on a search of available realtors, just two properties were listed for rent by local realtors. These two properties are large single family homes with relatively high rents (\$1,850 and \$1,500). It is somewhat surprising that more homes have not converted to rental uses, but this may be due to an active local participation and existing restrictions regarding home conversions. This is especially true given the depth of foreclosures that have occurred over the past few years.

### *Housing Summary*

A brief review of local housing trends provides an indication of the strong value of the local housing stock, despite the current recessionary period and somewhat difficult housing marketplace. In comparison to other sections of the city, it would appear that the target area has performed somewhat better, with a greater degree of housing value present as compared to other areas of the city in which home values are approaching rock bottom levels. Renters within the target area are a relatively small segment of the local housing market.

One point that has been demonstrated within the data is the relative affordability of many housing opportunities within the Boston-Edison area, while remaining one of the more desirable residential neighborhoods within the city. By encouraging a wide range of potential residents to investigate the neighborhood's residential opportunities, it is hoped that any degree of disinterest due to the myth that Boston-Edison is not affordable can be put to rest.

A second issue that has not been discussed is the utility cost prevalent within the target area. Given the relatively aged status of most of the housing stock, the potential utility costs may be higher than average. However, with attention to weatherization efforts and the positive impact rehabilitation can have on utility costs, these issues can be somewhat minimized.

### III. ADDITIONAL TOPICS

A number of specific initiatives and activities by local groups have also impacted the current and future viability of the Boston-Edison area. A summary of these items is included within the following text.

#### M1 Light Rail

Until recently, discussions of any public transportation options were limited to busing issues. This first changed in 2006, with the investigation of a light rail service along Woodward Avenue by both the Detroit Department of Transportation (DOT) and SEMCOG. Subsequently, a private consortium of local business leaders formed M1 Rail to foster the development of a light rail line from Downtown to the New Center area. Previously, the U.S. Department of Transportation provided a \$25 million stimulus grant, to add the M1 Rail's \$125 million commitment to the project. At the same time, the federal government committed matching funds to the project, for a total public/private commitment of \$425 million to the project. This matching grant will allow for the completion of the rail line up to Eight Mile Road.

#### Woodward rail plan

A light rail route from downtown to New Center will get \$25 million from Washington.



Construction on the first half of the line will begin in 2011. Phase One will range from Downtown Detroit to West Grand Boulevard, approximately 3.4 miles. Phase Two will continue the rail line from West Grand Boulevard to Eight Mile Road, and is currently projected for completion by 2016.

Phase Two of the rail line will bisect the Boston-Edison neighborhood, providing the area a positive attribute that will ultimately increase the value of the housing stock. It will also add to the ability of the neighborhood to attract new residents that seek a public transportation alternative such as the M1 Light Rail.

### **Quicken Loans**

Quicken Loans, owned by local businessman Dan Gilbert, relocated its headquarters to downtown Detroit, consolidating offices from the suburbs and the Cleveland area. As of August, 700 employees were permanently moved to the Detroit office, with an additional 1,000 employees to be moved over the next few months.

Particularly for those employees from outside of the state, the Boston-Edison neighborhood could represent an attractive and convenient residential alternative. A capture rate of just one percent of employees at the Detroit office would mean approximately 17 new residents to the target area.

### **Activities of Nonprofits and Local Leaders**

Boston-Edison may directly benefit from the efforts of Living Cities, a consortium of 22 financial and philanthropic groups across the nation. In October the group announced the awarding of \$2.75 million in grants, \$4 million in investments, and \$15 million in financing to help Detroit projects to “help reconcentrate or re-densify people in the area around Woodward Avenue”. According to a Detroit News article, leading the efforts will be the nonprofit University Cultural Center Association, the Kresge Foundation, and the Skillman Foundation (all local organizations). “We hope it means another 10,000 new residents within the next 10 years”, according to Susan Mosey, president of the Cultural Center Association.

The target area's proximity to this activity is quite promising, and efforts to coordinate the promotion of the Boston-Edison area with the consortium's efforts should be made a high priority.

In addition to the Living Cities efforts, the New Economy Initiative for Southeast Michigan (NEI) is another organization working to restore Detroit and SE Michigan to a position of leadership in the new global economy. According to the Detroit News article, the NEI includes a plan to attract 15,000 new, young talented Detroiters to live in the city's core by 2015.

Lastly, Mayor Bing has recently announced that his administration will begin to use incentives to concentrate city residents within at least seven to nine core areas that will serve as population centers. According to a Free Press interview with the Mayor on the subject, the neighborhoods targeted for investment will be identified in spring of 2011. All of these areas "are relatively stable with some vacant and foreclosed property".

Even if the Boston-Edison area is not selected as a core area for such incentives, it should still benefit from the potential for shifts in population from less-populated areas of the city toward more stable neighborhoods such as Boston-Edison. If selected, the neighborhood would have additional resources at its disposal to increase the home values within the community, reduce vacancies, and encourage redevelopment and renovation of existing developments that may need some degree of attention.

## IV. CONCLUSIONS AND RECOMMENDATIONS

The target area, and the Boston-Edison neighborhood as a whole, is well positioned to take advantage of regional economic and housing development efforts, adjacent community improvements, and ongoing enhancement of the local housing stock by individual owners and investors.

Demographic patterns are generally positive in comparison with alternative neighborhoods within the immediate area. The positive patterns include higher household incomes, stronger family characteristics, high degree of homeownership, and positive household composition trends, among other positive influences. The neighborhood, along with the city of Detroit and many sections of Michigan, is losing population, but at a somewhat more moderate rate in comparison to other neighborhoods within the city that are much more distressed.

Economic characteristics of the local population are generally superior to the city as a whole, with higher educational attainment, somewhat lower crime statistics (within some categories), and generally positive attributes as measured by ESRI's Tapestry segmentation.

As a community, the Boston-Edison area is also relatively "family-friendly", with above average home values, private security in place, very little blight, and historical demographic trends that reflect an acceptance of a family-oriented lifestyle.

Culturally, the neighborhood's proximity to New Center should be perceived as a very positive characteristic. This should also allow for a greater degree of diversity for the target area and the Boston-Edison neighborhood as a whole, as measured by the potential relocation within the target area of younger singles and couples with a broader range of incomes, occupations, and educational attainments.

Like most sections of the city, however, the immediate area lacks many outlets and service centers necessary for daily living (grocery, pharmacy, hardware, among others). Existing roadways and planned transportation alternatives may alleviate such factors. The generally high degree of mobility of most residents of the target area also minimizes the impact of such factors.

In comparison to most other sections of the city, it would appear that the target area has performed somewhat better from a housing stock standpoint, with a greater degree of housing value present as compared to other areas of the city in which home values are approaching rock bottom levels. Renters within the target area are a relatively small segment of the local housing market, but should not be ignored as a source of household creation.

In order to maximize the ability of professionals and residents to market the neighborhood as a viable and attractive residential alternative, these positive attributes must be prominently featured and emphasized. Since the Boston-Edison area is highly researched and recognized at the individual home level, it is possible to provide a potential target market description for each available home based on the potential home value and sales price of the individual home.

If preferable, the target markets can be separated by four segments, based on the sales prices listed within the housing section discussed previously. For example:

- Target Market #1 (High-End Luxury Homes – priced at more than \$500,000)
- Target Market #2 (Upper-Value Homes – priced between \$150,000 and \$500,000)
- Target Market #3 (Lower-Value Homes – priced between \$50,000 and \$150,000)
- Target Market #4 (Lower-Priced Homes – priced less than \$50,000)

Specific plans regarding each target market can be formulated, based on a combination of likely incomes, possible occupations, educational attainment, and family type/size, and other factors. Outreach must be coordinated with active realtors, ongoing governmental initiatives at the state and local levels, and the specific community development activities discussed previously.

Within the current housing environment, Target Market #3 should be the focus of educational outreach and marketing efforts. It is this segment that generally is in the greatest need of such information, faces many opportunities within the city in terms of residential options, and may see the strongest value in terms of relocating within the target market area, as well as the Boston-Edison community as a whole.

In my opinion, NDNI is well-suited to coordinate this type of effort among community groups, local non-profits, and individuals that are engaged with the goals of an improved neighborhood. Active pursuit of target market candidates, assistance with acquisition and renovation efforts, and ongoing support for neighborhood residents that wish to assist in such efforts should not only be encouraged, but actively supported.

## **V. BACKGROUND – Community Research Services, LLC**

### **Kelly J. Murdock – Community Research Services, LLC**

Mr. Murdock has vast experience in the analysis of housing markets. Since 1988, he has provided market analyses and studies on single-family developments, apartment complexes, condominium proposals, and senior citizen communities. Mr. Murdock has also assisted numerous nonprofit groups and non-entitled communities with the use and regulations of the HOME program, as a technical assistance representative through the Michigan State Housing Development Authority (MSHDA). He has been featured within several published articles on housing research, and has served as a speaker at numerous housing seminars on market-related issues.

CRS provides consulting and research with for-profit firms and nonprofit organizations, as well as state and local governments. At CRS, Mr. Murdock is responsible for all day-to-day operations at the firm, client relations, and staff supervision, in addition to individual research assignments.

Prior to the establishment of CRS, Mr. Murdock was the founder of Community Research Group, LLC and Community Targeting Associates. Both companies provided a large degree of affordable housing research over a twelve year period (1992 to 2004) across 31 states for over 250 clients. This included research conducted under contract with Rural Housing Service, HUD, and six state housing agencies. Previously, Mr. Murdock served as the Senior Market Analyst of Target Market Systems, the market research division of First Centrum Corporation. At TMS, Mr. Murdock was responsible for market research services for all development and management divisions of the corporation, and completed some of the first market reviews and studies within Michigan under the LIHTC program (IRS Section 42).

A graduate of Eastern Michigan University, Mr. Murdock holds a degree in Economics and Business, with a concentration in economic modeling and analysis. Mr. Murdock is a member of the Michigan Housing Council, a statewide affordable housing advocacy group. He has served on the Council's Board of Directors. Mr. Murdock and CRS are also charter members of the National Council of Affordable Housing Market Analysts (NCAHMA), an organization dedicated to the establishment of standard practices and methods in affordable housing research across the nation. Mr. Murdock previously served on the executive committee of NCAHMA. CRS is also an affiliate member of the National Council of State Housing Agencies, Indiana Association of Community & Economic Development, Community & Economic Development Association of Michigan, and the National Housing & Rehabilitation Association.