Middle Neighborhoods in the Desert Southwest: A First Look

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NeighborWorks® AMERICA

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About NeighborWorks America

NeighborWorks America is a national nonprofit established by Congress to expand opportunities for people to live in affordable homes, improve their lives and strengthen their communities.

To achieve this mission, NeighborWorks America supports a network of nearly 250 nonprofit community development organizations working to revitalize urban, suburban and rural communities across all 50 states, the District of Columbia and Puerto Rico. NeighborWorks America offers these organizations financial support, technical assistance, training and a range of other services to meet the needs of their communities.

About the Middle Neighborhoods Initiative

The Middle Neighborhoods Initiative builds support for middle neighborhoods through research, policy analysis, communications and advocacy. This national initiative is organized by the National Community Stabilization Trust and advised by a Steering Committee of practitioners, policymakers, researchers and funders working at national and local levels. As part of the initiative, a growing Community of Practice is documenting and sharing strategic interventions that stabilize and strengthen middle neighborhoods across the U.S. Supported by NeighborWorks America, the Community of Practice connects neighborhood practitioners and city officials to each other and to regional and national organizations interested in these efforts.

Pictured on cover: Albuquerque, NM and Lubbock, TX
All Photos: Google Earth © 2022 Google

Arlington, TX

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Middle Neighborhoods in the Desert Southwest: A First Look

Introduction

Middle neighborhoods – the neighborhoods of our towns and cities where middle income people live – have been and continue to be the backbone of our communities. Their value, as well as the many challenges they face, have been laid out in a number of publications,[1] and in the past few years a growing number of local governments, NGOs and community organizations have begun to focus on their role and address their challenges. Yet, nearly everything that has been written about middle neighborhoods has focused on the older cities of the Northeast and Midwest, and the great majority of the programmatic initiatives that have emerged have been in those same cities.

This issue raises a knotty question. After all, the older cities of the Northeast/Midwest do not represent all of America. Arguably, the greatest and most dynamic belt of urban population in the United States is the region loosely known as the Desert Southwest, the great crescent running from California[2] to Texas, including Arizona, Nevada and New Mexico. Today, seven of the 10 largest cities in the United States are in this belt, as are 20 of the nation's 50 largest cities. What about their middle neighborhoods? Are they increasing or decreasing? What are the key features of their residents, and how are they different from neighborhoods that are richer or poorer? What challenges do they face, and how should local practitioners and policymakers address them?

This short paper takes a first look at middle neighborhoods in a cluster of Desert Southwest cities in order to provide some initial and provisional answers to these questions. We selected six, more or less, representative cities to examine: Fresno, CA; Phoenix, AZ; Las Vegas, NV; Albuquerque, NM; and Arlington and Lubbock, TX. We analyzed selected demographic and housing data and interviewed key public officials in each city.

In the first section of this paper, we present a cluster of demographic and housing data for each of these cities, and identify some key similarities and differences. We then drill down with additional data for Phoenix and Fresno. In all cases, we compare each city's middle neighborhoods by identifying the city's census tracts in which the median census tract income was between 80 and 120 percent of the citywide median in 2000 and in 2019.[3] We then compare features of those tracts with lower and upper income tracts in the same cities. The second section sets forth some key takeaways from our analysis, along with suggestions for action by local officials, non-governmental organizations (NGOs) and community leaders.

I Middle Neighborhood Trends and Conditions: A Quantitative Look for 2000 and 2019

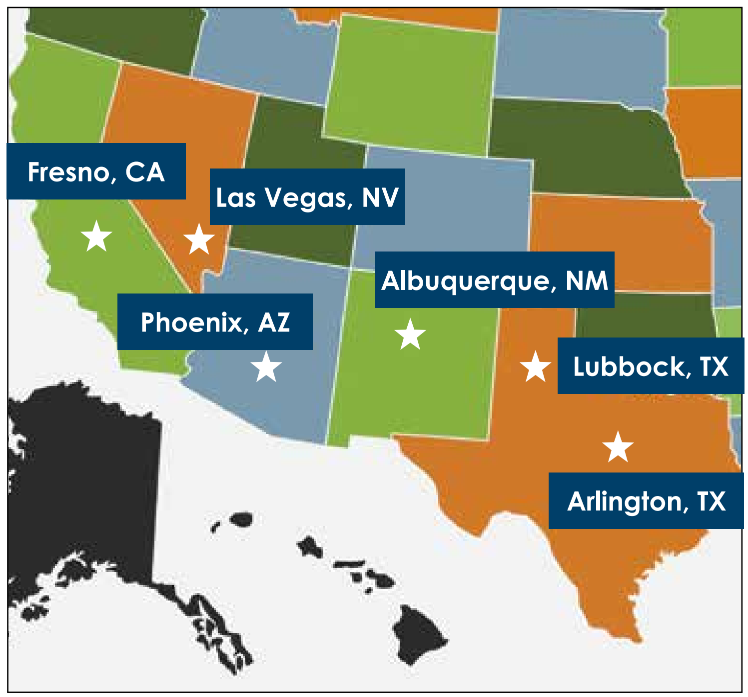
Overview of the Cities and the Research

The subject cities are distributed across the entire Desert Southwest (Figure 1). They range in population from Phoenix, AZ,the fifth largest city in the United States with a population of over 1.6 million, to Lubbock, TX, with a population of roughly 250,000. Some key characteristics of the subject cities are shown in Table 1.

FIGURE 1: SUBJECT CITIES

The cities we looked at:

	2020 Census Population	Increase from 2010
Phoenix	1,608,139	11%
Las Vegas	641,903	10%
Albuquerque	564,559	3%
Fresno	542,629	10%
Arlington	394,266	8%
Lubbock	257,141	12%



Source: Google Earth © 2022 Google

While there is considerable variation from one city to the next, a few general ways in which they vary from the national average can be identified:

- They generally have smaller Black populations, but much larger Latinx populations than the national average, or by comparison to most Northeast/Midwest cities.
- Median incomes are generally lower than the national average, while poverty rates are significantly higher.
- They are young cities with smaller shares of the elderly population than the national average.
- Although younger, they tend to have significantly fewer college graduates than the national average.
- With the notable exception of Albuquerque, they are growing faster than the national growth rate.
- Although in different ways, all of these factors are likely to affect the future of these cities' middle neighborhoods.

TABLE 1: CHARACTERISTICS OF SUBJECT CITIES

	Race and Ethnicity			Poverty and Income		Age and Education		Population	
	Asian	Black	Latinx	Meidan HH Income	Percent in Poverty	Percent Age 65 and Older	Percent Over 25 with BA+	Population 2020	Change 2010 To 2020
Albuquerque	2%	3%	49%	$52,911	17%	16%	35%	564,559	3%
Arlington	7%	23%	30%	$60,571	15%	10%	30%	394,266	8%
Fresno	14%	7%	50%	$50,432	25%	11%	22%	542,629	10%
Las Vegas	7%	12%	33%	$56,354	15%	15%	25%	641,903	10%
Lubbock	3%	8%	36%	$50,453	20%	12%	32%	257,141	12%
Phoenix	4%	7%	43%	$57,459	18%	11%	29%	1,608,139	11%
United States	6%	13%	18%	$62,843	13%	16%	32%	331,449,281	7%

Since we decided to use the ratio of neighborhood income to citywide income as our metric, we chose cities that had median household incomes of at least 80 percent of the national median. We then divided them into five income categories, with the ranges and numbers shown in Table 2 below. Middle income census tracts in 2019 in Albuquerque, for example, would be those with tract medians between $42,054 and $63,082. Middle income neighborhood income ranges are highlighted in Table 2.

TABLE 2A: DEFINITION OF NEIGHBORHOOD INCOME RANGES

Income Range	From	TO
Low	0	49.9% of city median
Moderate	50% of city median	79.9% of city median
Middle	80% of city median	119.9% of city median
Upper Middle	120% of city median	149.9% of city median
Upper	150% of city median	

TABLE 2B: INCOME RANGES BY CITY

	Albuquerque		Arlington		Fresno	
Range	2000	2019	2000	2019	2019	2000
50%	$19,136	$26,284	$23,811	$30,286	$25,216	$16,118
80%	$30,618	$42,054	$38,098	$48,457	$40,346	$25,780
120%	$45,926	$63,082	$57,146	$72,685	$60,518	$38,683
150%	$57,408	$78,852	$71,433	$90,857	$75,648	$48,354
City Median	$38,272	$52,568	$47,622	$60,571	$50,432	$32,236

	Las Vegas		Lubbock		Phoenix	
Range	2000	2019	2000	2019	2000	2019
50%	$22,035	$28,177	$15,922	$25,227	$20,603	$28,719
80%	$35,255	$45,083	$25,475	$40,362	$32,965	$45,951
120%	$52,883	$67,625	$38,213	$60,544	$49,448	$68,926
150%	$66,104	$84,531	$47,766	$7,567	$61,810	$86,158
City Median	$44,069	$56,354	$31,844	$50,453	$41,207	$57,439

In each city we looked at a small number of variables for both 2000 and 2019 that we believe shed light on the status and trends of middle neighborhoods. The variables we looked at, and the rationale for each, are shown in Table 3. Although the scope of the study did not permit us to go into more depth for all of the cities, we did look at additional variables in Fresno and Phoenix, which we discuss later in this paper.

Source: Google Earth © 2022 Google

TABLE 3: VARIABLES USED IN THE ANALYSIS

Variable	Rationale
Share of citywide population	Reflects the neighborhood income distribution in the city and whether the city's neighborhoods are trending toward the middle or toward the edges. It is a measure of the city's economic polarization.
Percentage Black population	Reflects the extent to which racial transition may be affecting the city's middle neighborhoods.
Percentage Latinx population	Reflects the extent to which change in the Latinx population may be affecting the city's middle neighborhoods.
Percentage of married-couple child-rearing households	Married-couple child-rearing households have historically been the mainstay of middle neighborhoods. A decline in this household type may be an indicator of potential destabilization.
Homeownership rate	A strong homeownership rate is seen as a key element in the vitality of single-family neighborhoods. A decline in homeownership may be an indicator of potential destabilization.
Vacancy rate (excluding seasonal vacancies)	Excessive vacancies are a strong indicator of potential or actual neighborhood destabilization.

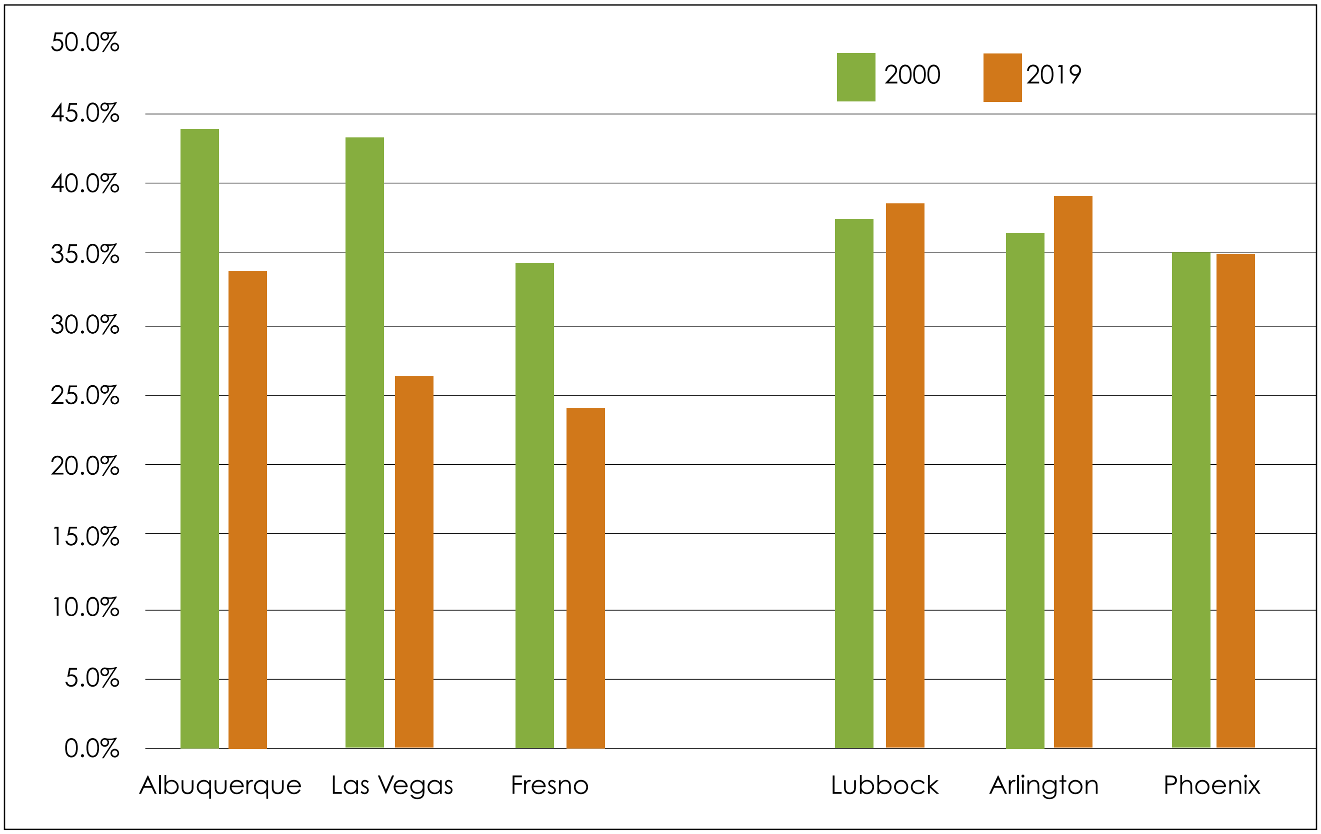
Findings for the Six Cities

This section will present the key findings for the six cities with respect to each of the variables shown in Table 3. More detailed statistical information will be found in the Appendix.[4] This section is largely descriptive. Some of the key takeaways from these findings will be presented in Section II of this report.

The first measure is the share of the city's population that lives in middle neighborhoods. It is important to stress that this is very different from the share of the city's population that is middle income. Middle neighborhoods are economically diverse and include many lower and upper income households. Indeed, it is one of their great strengths. A downward shift in the middle neighborhood share reflects increasing residential polarization by income as upper income people increasingly concentrate in upper income areas and lower income people in lower income areas. The existence of this trend nationally has been studied in detail by a number of researchers.[5]

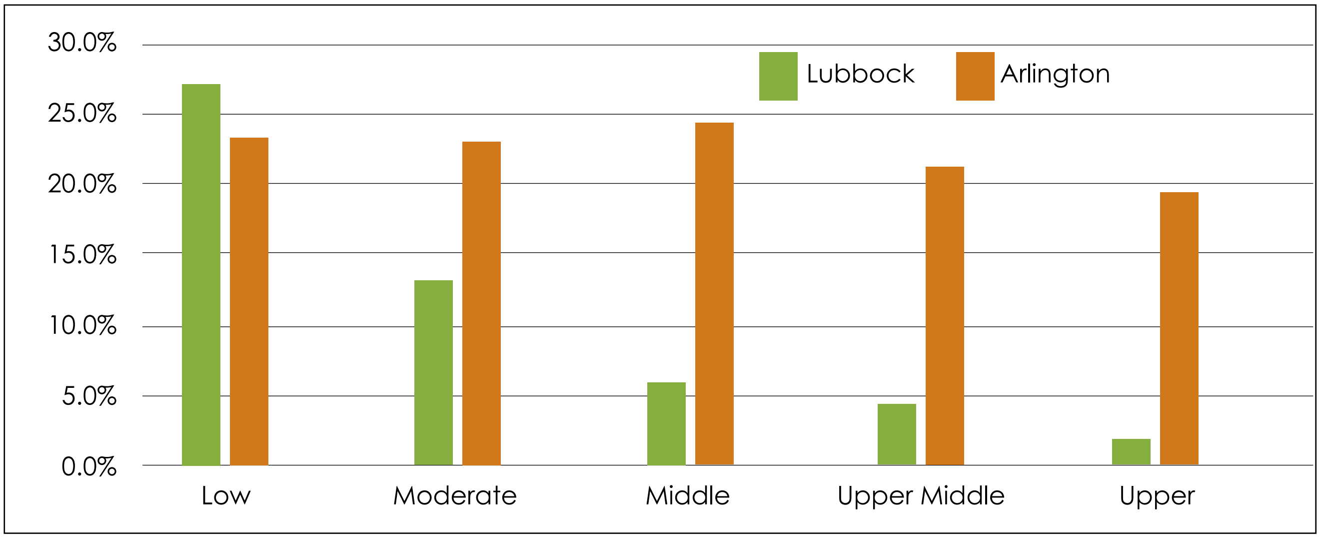
In contrast to Northeast/Midwest cities, which consistently show a decline in the number and population of middle neighborhoods, there is no consistent pattern among the six cities, as shown in Figure 2. The share of the city's population living in middle neighborhoods dropped sharply in Albuquerque, Fresno and Las Vegas, but remained roughly the same in Arlington, the share of middle-income households also dropped, although by far less than the share of middle neighborhoods. This indicates that the decline in middle neighborhoods in these cities is more a reflection of residential polarization by income than of a decline in the number of middle-income households. Among the three cities showing a decline in middle neighborhoods, Las Vegas is seeing a higher degree of residential polarization by income than the others.

FIGURE 2: MIDDLE NEIGHBORHOOD POPULATION SHARE 2000 AND 2019



Except for Arlington, the subject cities had small Black populations, with little change in the Black population share from 2000 to 2019. A notable contrast was found between the two Texas cities studied. Lubbock's Black population share actually declined citywide from 2000 to 2019, while that of Arlington increased significantly, going from 14 percent to 23 percent. More notably, while the spatial distribution of Black households in Lubbock is extremely unequal, with the majority living in low-income neighborhoods and only a handful in higher income areas, that of Arlington is unusually equal, with Black families quite evenly distributed across the city by neighborhood income level, as can be seen in Figure 3. This pattern is reflected in the level of racial segregation in the two cities. Lubbock's Black population is concentrated on that city's west side while in Arlington most of the city's neighborhoods are integrated and contain between 10 percent to 30 percent Black population shares.

FIGURE 3: DISTRIBUTION OF BLACK POPULATION BY NEIGHBORHOOD INCOME LEVEL IN LUBBOCK AND ARLINGTON, 2019



By contrast, all the subject cities had large and growing Latinx populations, as is generally true of cities in the Desert Southwest. That population growth is reflected in the cities' middle neighborhoods, all of which saw significant growth in their Latinx population. In three cities – Albuquerque, Fresno and Las Vegas – the Latinx share in the cities' middle neighborhoods is greater than in the cities as a whole, as shown in Figure 4. While this suggests a positive trend in terms of mobility of these cities' Latinx populations, the distribution of these cities Latinx populations by neighborhood income level is still highly uneven, as shown in Figure 5. This is most visible in Phoenix, where low- and moderate- income neighborhoods are predominately Latinx but upper-income neighborhoods have only a small Latinx population share. Only in Albuquerque do Latinx households make up a substantial share of the population of the city's upper-income neighborhoods.

FIGURE 4: LATINX POPULATION SHARE IN CITIES AND MIDDLE NEIGHBORHOODS 2019

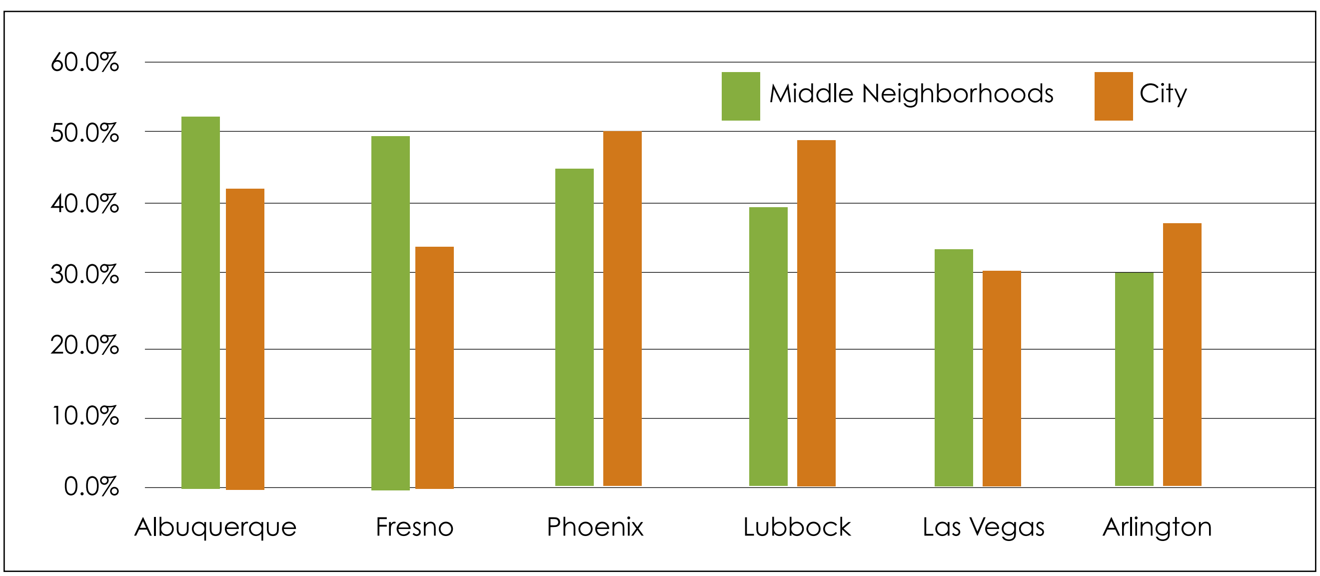
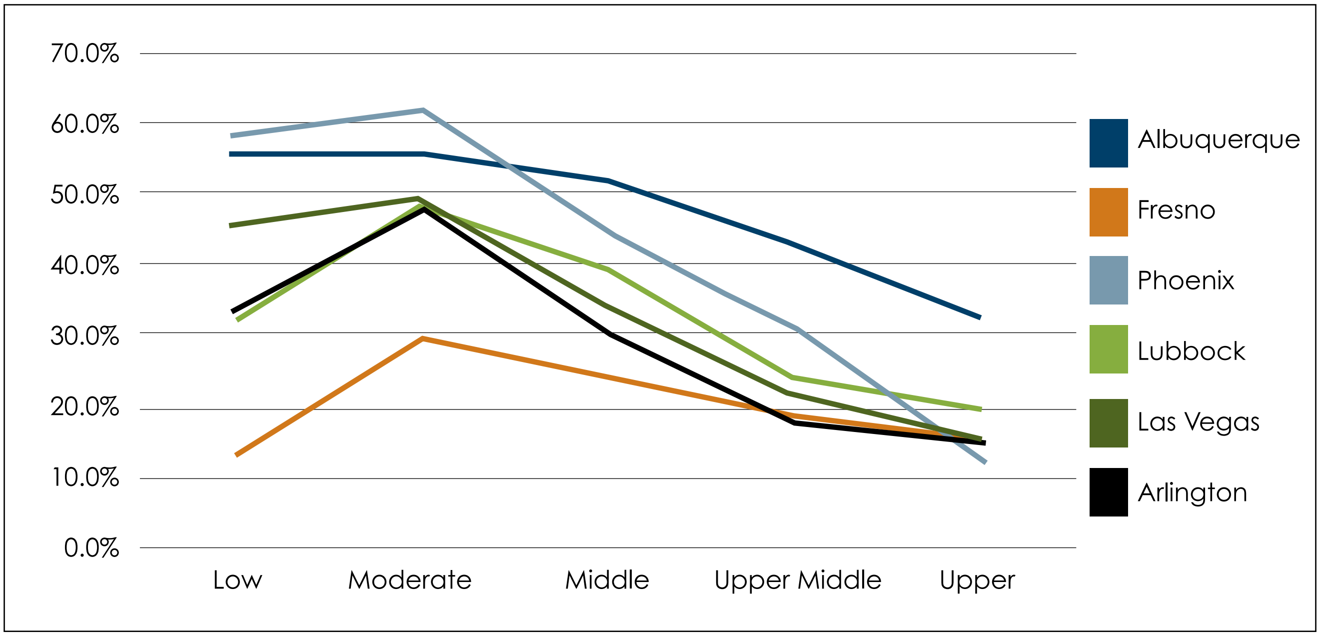


FIGURE 5: DISTRIBUTION OF LATINX POPULATION SHARE BY CITY AND NEIGHBORHOOD INCOME LEVEL IN 2019

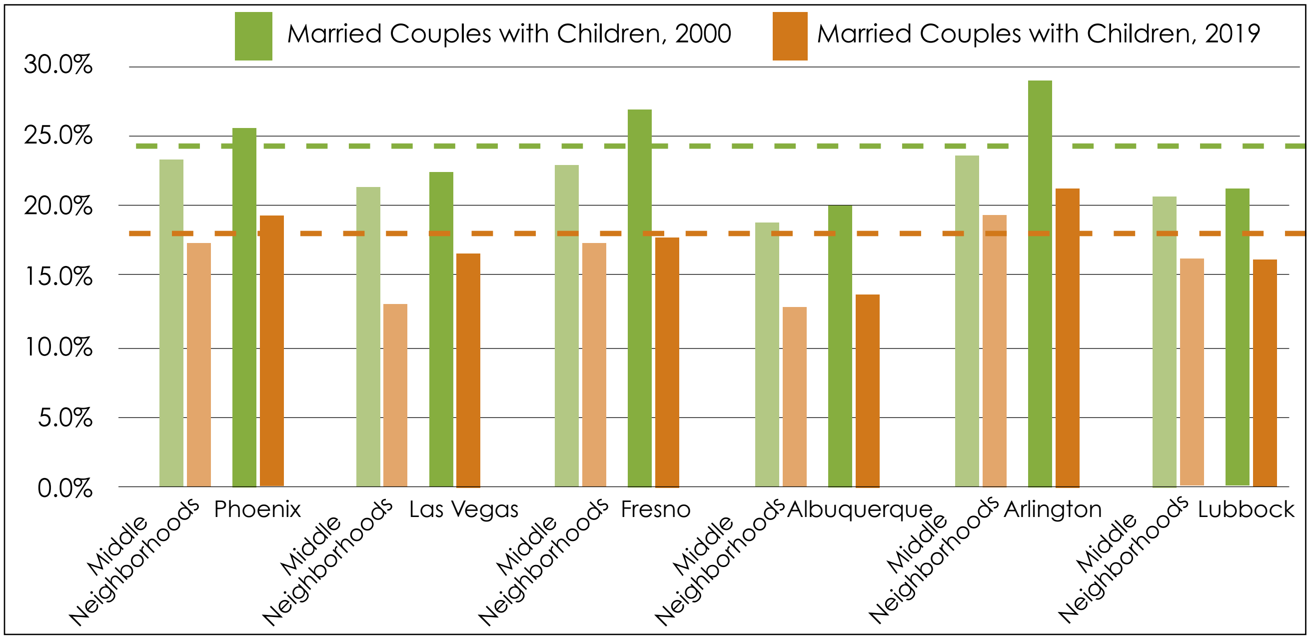


Historically, most middle neighborhoods emerged in the early 20th century in Northeastern and Midwestern cities or in the first decades after World War II in Desert Southwest cities, periods in American history when American households were largely made up of married couple, child-rearing families. In the 1950s, such families made up nearly half of all American households, while many of the others were married couple families who had either not yet begun to have children or had just seen the last one leave the nest. Middle neighborhoods were built, in large part, to accommodate those families.

Since then, the demographic character of the American household has changed dramatically; there are far fewer married couple, child-rearing families and far more single individuals and nonfamily households, such as people sharing houses. While the number of single parent (largely female) families has grown, that increase has been modest compared to the decline in married couple, child-rearing families. Moreover, single female child-rearing families have the lowest incomes of any demographic subgroup in the United States, and are disproportionately likely to be poor or near poor. Nationally, the median income of single, female parents is only 30 percent of that of child-rearing, married couples. This reflects not only the fact that most married couples have two wage earners, but also the severe educational deficits and income insecurity experienced by many single female parents.

Figure 6 shows the level and change in the share of households that are child-rearing married couples for each of the cities and for their middle neighborhoods. The horizontal bars show the national percentage in 2000 and 2019, during which period their share dropped from 24 percent to 19 percent. As with the other variables we have looked at, there is no consistent pattern, although the sharp declines in middle neighborhoods in Las Vegas and Albuquerque (as well as citywide in Albuquerque) may be matters of potential concern. Middle neighborhoods that are seeing their pool of child-rearing married couples diminish may have to identify and recruit different types of households in order to maintain their market vitality.

FIGURE 6: CHANGE IN PERCENTAGE OF HOUSEHOLDS THAT ARE CHILD-REARING, MARRIED COUPLE FAMILIES FOR MIDDLE NEIGHBORHOODS AND CITIES FROM 2000 TO 2019



Homeownership rates are lower, in some cases much lower, in Desert Southwest cities than in the United States as a whole. Although this does not reflect any significant difference in the region's housing stock, since the share of single-family housing is roughly the same as in the rest of the country, it does influence the percentage of single-family homes that are rented rather than owner occupied. While 17 percent of single-family homes nationally are renter occupied, the share of single-family homes that are renter occupied is 28 percent in Las Vegas and 31 percent in Fresno. This may be a long-term effect of the foreclosure crisis or may reflect differences in the nature of the housing market, including these cities' high level of in-migration.

FIGURE 7: HOMEOWNERSHIP RATES IN MIDDLE NEIGHBORHOODS IN 2000 AND 2019

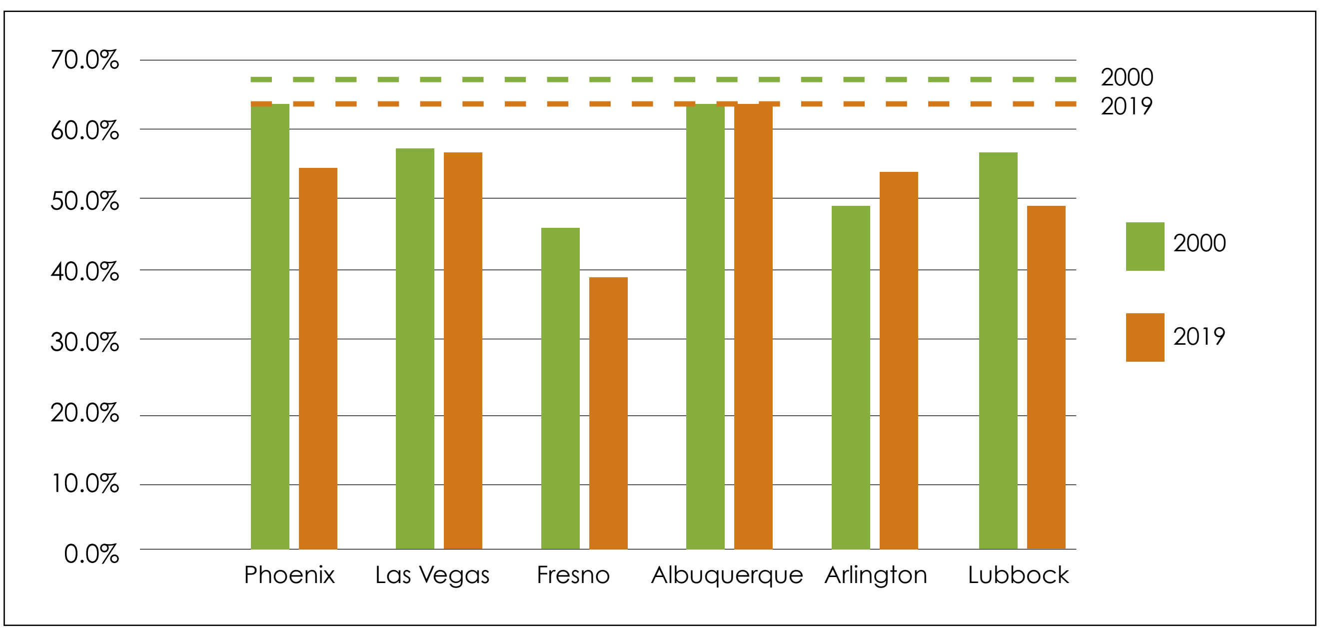


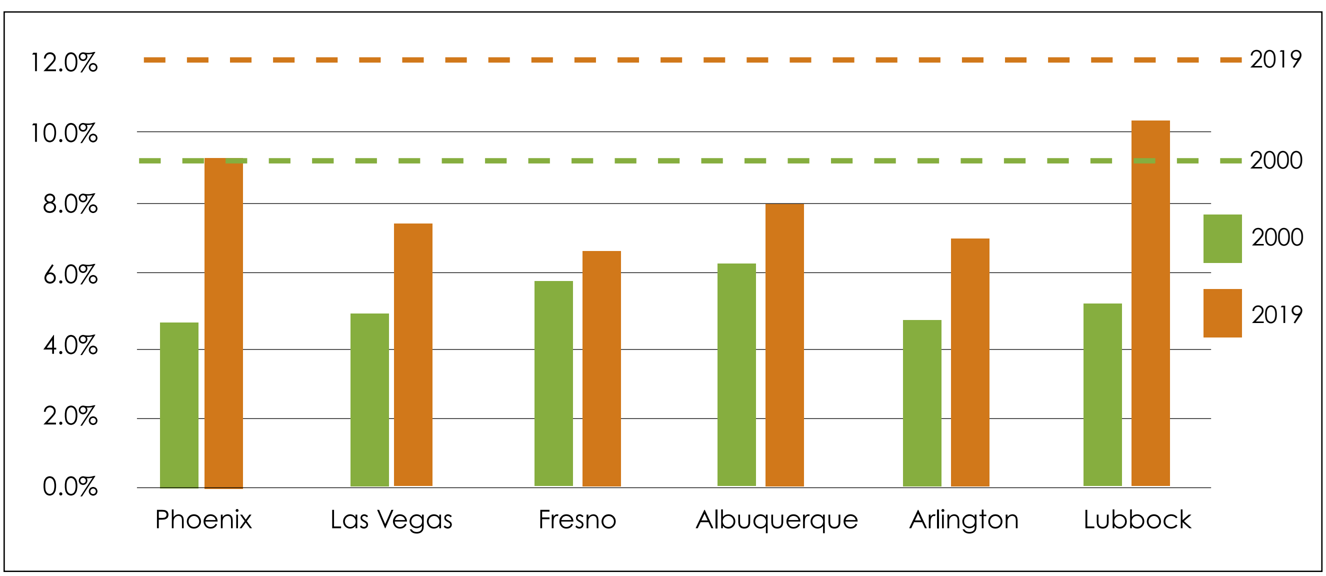
Figure 7 shows the change in homeownership rates in the middle neighborhoods from 2000 to 2019. The horizontal bars show the national rates for comparison purposes. Again, in contrast to Northeast/Midwest middle neighborhoods, where homeownership rates generally declined over the time period, it is hard to see a consistent pattern. In three cities homeownership rates declined,[6] in two they remained about the same and in Arlington they rose. That said, it is notable that in all of the cities except Albuquerque, they were significantly below the national rate, with the lowest homeownership rate in Fresno. Generally speaking, the rates and trends in middle neighborhoods paralleled citywide patterns.

Finally, we looked at housing vacancy rates, excluding vacant houses used for seasonal or occasional occupancy. While some level of vacancy is essential for the housing market to function and for buyers and renters to have a choice as to where to live, excess vacancies beyond the level of demand are a major problem, leading to disinvestment and abandonment. Figure 8 shows vacancy rates for middle neighborhoods in the six cities for 2000 and 2019. For comparison purposes, the horizontal bands show the rates for the United States as a whole.

While part of the measured increase in vacancy rates from 2000 to 2019, shown in Figure 8, reflects differences in the survey methods used in the American Community Survey compared to the earlier 2000 Census,[7] it is still clear that vacancies increased significantly over that period. There were parallel increases in housing vacancies in all the middle neighborhoods, significant in Phoenix and Lubbock, but modest in Albuquerque. While increases such as those in Phoenix should be carefully monitored, the middle neighborhood vacancy rates in all of these cities remain well below national levels and are not likely to be a matter of immediate concern.

Many of the variables we looked at are linked to a neighborhood's economic condition. Home ownership rates, vacancy rates and the share of married couple, child-rearing households are all closely linked to the incomes of the households in any given neighborhood. Both owning a home and being a child-rearing, married couple are directly income-related, while vacancy is a function of the strength of the housing market, which is greater in areas drawing more affluent home buyers.

FIGURE 8: NONSEASONAL HOUSING VACANCY RATES IN MIDDLE NEIGHBORHOODS IN 2000 AND 2019



A Deeper Dive: Phoenix and Fresno

While the scope of this study did not permit in-depth analysis of multiple factors for all the cities, in order to look at other factors that might be relevant to middle neighborhood conditions, we looked at a cluster of additional demographic and housing market metrics for two of the six: Phoenix and Fresno, in 2019. The metrics we looked at were:

- Share of population over 65.
- Share of foreign-born population.
- Share of households with a child-rearing single mother.
- Share of adults 25 and over with a BA or higher degree.
- Share of the population living below the poverty level.
- Median dollar amount of home purchase mortgages, as a surrogate for house prices.

The data for the cities and for neighborhoods by neighborhood income category is shown in Table 4.

TABLE 4: ADDITIONAL NEIGHBORHOOD CHARACTERISTICS BY INCOME CATEGORY FOR PHOENIX AND FRESNO IN 2019

PHOENIX

	Percent of Population 65+	Percent of Population Foreign-Born	Percent of Households Single Women With Children	Percent of Adults With BA+ Degree	Percent of Population In Poverty	Median Mortgage Amount
Low	7.0%	23.5%	16.9%	10.5%	39.6%	$180,000
Moderate	7.9%	26.7%	12.5%	13.4%	29.6%	$195,000
Middle	10.8%	18.6%	7.9%	25.3%	15.9%	$225,000
Upper Middle	11.9%	15.5%	6.9%	35.2%	8.0%	$262,500
Upper	15.2%	11.0%	3.8%	53.9%	5.4%	$355,000
Phoenix	10.8%	19.4%	8.5%	28.8%	17.8%	$235,000

Source: Google Earth © 2022 Google

FRESNO

	Percent of Population 65+	Percent of Population Foreign-Born	Percent of Households Single Women With Children	Percent of Adults With BA+ Degree	Percent of Population In Poverty	Median Mortgage Amount
Low	9.5%	24.6%	16.2%	4.1%	41.7%	$165,000
Moderate	8.3%	20.5%	14.2%	4.7%	33.3%	$172,500
Middle	14.0%	24.3%	15.2%	16.0%	30.0%	$195,000
Upper Middle	10.6%	13.0%	6.2%	13.0%	11.1%	$255,000
Upper	15.1%	16.4%	6.9%	32.4%	6.1%	$315,000
Fresno	11.3%	20.0%	12.0%	13.1%	25.4%	$195,000

The data shows a sharp difference between the character of middle neighborhoods in the two cities. In Phoenix, middle neighborhoods are truly "in the middle" of *every* distribution, whether with respect to age, family type, college degrees, poverty or house prices. In Fresno, however, middle neighborhoods are actually much more like low and moderate income neighborhoods than higher income neighborhoods. Their residents are slightly older, and a larger share have college degrees, but otherwise they closely resemble their lower income counterparts. We have highlighted these similarities in Table 4.

This suggests that while Phoenix' middle neighborhoods are likely to be fairly stable on the whole, those of Fresno may be more at risk of decline. That is suggested only as a possibility, since statistical data only tells part of the picture. But it raises issues, which we will explore further in the next section of this report.

II Recommendations and Takeways

Despite the limited nature of the research we conducted, our look at middle neighborhoods in these cities suggests both valuable takeaways as well as potentially useful recommendations for consideration by public officials, NGOs and others working to maintain the health and vitality of these communities.

Recommendations

Desert Southwest cities should not take the continuing stability of their middle neighborhoods for granted. While newer than their Northeastern or Midwestern counterparts, they are neighborhoods that are often 50 or 60 years old, and may be showing their age. They are subject to external pressures that can affect their housing markets and vitality, such as increased investor buying and declining homeownership or the national decline in married couple, child-rearing families. Cities should pay attention to middle neighborhoods, tracking their conditions and trends, and working directly with NGOs to make them stronger, more vital neighborhoods:

1. Identify middle neighborhoods and track neighborhood trends and develop "early warning" metrics, including homeownership rates, sales prices, levels of property maintenance and vacancies to identify potential threats to neighborhood stability.
2. Track individual neighborhood trends and customize strategies around challenges and opportunities for each neighborhood, rather than "one size fits all" models.
3. Foster stable homeownership in middle neighborhoods by ensuring capital access and building support systems for first-time homebuyers and homeowners.
4. Track absentee owners, and enact local ordinances providing for regular rental inspections and incentives for responsible landlords.
5. Provide incentive programs to motivate home maintenance, improvements and updates in order to position housing stock to appeal to future homebuyers.
6. Identify opportunities to strengthen neighborhoods and their housing markets by building neighborhood "curb appeal" and enhancing public services and amenities, such as public open space.
7. Develop programs to build neighborhood identity and resident engagement with neighborhoods, including exploring how HOAs can become more effective vehicles to build neighborhood-level cohesion and social capital.

A strong housing market is only part of what makes a neighborhood strong. Neighborhoods are social entities. Shared Identity, engagement and social capital – manifested not only in organizational participation but through small acts of neighboring – are the heart of what makes a neighborhood strong. Local governments should pay as much attention to those issues as they do to the strength of their neighborhoods' physical environments and housing markets.

STRATEGY HIGHLIGHT: ARLINGTON, TEXAS

Using Incentives Framed Around Property Taxes to Spur Reinvestment in Housing Stock

The City of Arlington, Texas Home Improvement Incentive Program (AHIIP) was created to encourage investment in older housing stock. Although flanked by Dallas and Fort Worth – two areas that are exploding with development of new and modern homes – houses in Arlington are more dated (1960s, 70s and 80s) and in need of repairs and updates. Although it is not technically a tax rebate, the incentive does address a common point of apprehension homeowners have about property tax increases accompanying substantive property improvements.

How It Works: AHIIP gives homeowners a one-year rebate incentive for doing large improvement projects. Projects must amount to at least $20,000 and the homeowner must apply for the incentive before the project begins. That $20,000 figure was determined by taking 10% of the average home values in the area, which is around $200,000. The City logs the pre-improvement City tax value and executes a rebate agreement with the homeowner.

Once the rehab project is complete, the homeowner submits a claim form to the City. City staff verifies that the new, increased, after-rehab tax bill has been paid, and then cuts a check to the homeowner based on a formula that references the increase in the City tax bill after improvements were made. The City portion of the tax bill is only about a quarter of the total tax bill; school districts, counties, hospital districts and some special assessments make up the rest. But the City calculates the pre- and post-work difference in its portion and multiplies that amount by 10.

For example, if the improvement increases the City portion of the tax bill by $250, the homeowner would receive 10 times that amount, or $2,500. The incentive is capped at $5,000 per home. Funding for the rebate incentive comes from a one-time set aside of general funds, which was established in 2011. Typical projects include new kitchens, baths, lot improvements and pools, and homeowners may include more than one item. The program does not make eligible non-permanent improvements such as landscaping.

There are no income limits to participate in this program, so that it can incentivize property owners in middle neighborhoods to update their homes to appeal to future generations of homebuyers. The City has additional programs that are income-limited, including those funded by Community Development Block Grants (CDBG).

Individuals must own the home and the work needs to be completed within a 24-month period. The incentive is not limited to owner occupied properties. Homeowners, landlords and small investors may also apply, but large institutional investors are not eligible. Although each project is only rebated once, homeowners can apply for the incentive more than once if they have more than one project, and funds received can be used in any way by the homeowner.

Takeaways

1. Desert Southwest cities are largely products of post-World War II growth, with few older areas. Those cities' middle neighborhoods today are areas largely built during the first few decades after World War II. Thus, they are consistently newer than middle neighborhoods in Northeastern and Midwestern cities, and in many respects more closely comparable to the inner ring suburbs of those cities.

2. In contrast to many middle neighborhoods in the Northeast and Midwest, which tend to have names and informal boundaries long predating current residents, neighborhood geographies in the Southwest are often based on the boundaries of subdivisions as they were developed after World War II. Many of these subdivisions, particularly those developed more recently, have Home Owner Associations (HOAs), supported by assessments on the residents. These HOAs can become a form of neighborhood leadership organization, but their role and impact vary widely. In contrast to Northeastern and Midwestern cities, where most cities are seeing pronounced declines in the number of middle neighborhoods, there is no consistent pattern to middle neighborhood trends in desert Southwest cities. Some cities, like Las Vegas, are seeing significant declines, but in others, like Phoenix, the distribution of neighborhoods by income is stable.

3. While the number of middle *neighborhoods* in some cities is declining, the number of middle income *households* is usually stable or increasing. The decline in the number of middle neighborhoods in cities like Las Vegas reflects increased residential polarization or segregation by income, not a decline in middle income households.

4. Middle neighborhoods in desert Southwest cities are increasingly diverse, and increasingly drawing Latinx households. They may represent a zone of opportunity for upwardly mobile Latinx households in these cities.

5. As noted earlier, homeownership rates are lower, in some cases much lower, in Desert Southwest cities than in the rest of the United States. This is not because the share of single family housing in the region's housing stock is any different from the rest of the country, but because the percentage of single family homes that are rented rather than owner occupied is much higher. In some cities, the homeownership rate has declined significantly since 2000, but in others it is fairly stable.

6. Paralleling national trends, the number of child-rearing, married couple households, who historically made up a large part of the market for single family homes in middle neighborhoods, are declining in the middle neighborhoods of these cities, something which may become an issue in terms of maintaining stable housing markets in these neighborhoods.

7. Housing vacancy rates, although rising, are still at levels where they are unlikely to interfere with housing market stability.

The trends in the region's middle neighborhoods do not add up to a crisis, by any reasonable definition. On the contrary, the picture suggests that most remain viable, healthy communities. That said, that same picture suggests significant potential challenges – which vary widely from city to city, and in all likelihood, from neighborhood to neighborhood – worth taking seriously by local officials, NGOs and community leaders.

Appendix: Endnotes

1 See, especially, Paul Brophy, ed. On the Edge: America's Middle Neighborhoods. New York: American Assembly (2016) and Alan Mallach. America's Middle Neighborhoods: Setting the Stage for Revival. Cambridge MA: Lincoln Institute of Land Policy (2018).

2 One can debate whether coastal California should be considered part of this belt, but inland California, particularly the Central and Imperial Valleys, arguably has more in common with the rest of the desert states than it does with the coast.

3 As is customary in small area research, we treated census tracts, which typically have populations of 2000 to 8000, as our surrogate for neighborhood In order to be able to compare census tracts for 2000 and 2019, we utilized the Neighborhood Change Data Base created by Geolytics, Inc. which standardizes earlier tract boundaries to those used by the Census from 2010 forward. Since many census tracts cut across municipal boundaries; that is, they are located in part in a subject city, and in part outside, we utilized the classification of census tracts by municipality developed by PolicyMap, which excludes tracts where the majority of their population is outside the city. That, along with the fact that some of these cities have changed their boundaries through annexation since 2000 (meaning that a tract that is inside the city in 2019 and therefore included, may have been outside the city in 2000), means that the total population of the census tracts included in the study may not equal the official population of the city.

4 All data, except where specifically indicated otherwise, comes from the 2000 Census of Population and the 2015-2019 five-year American Community Survey.

5 See, especially, Bischoff, Kendra, and Sean F. Reardon. "Residential segregation by income, 1970–2009." Diversity and disparities: America enters a new century 43 (2014).

6 Although it is speculative, one might infer from the experience in other cities with large public universities that the decline in the homeownership rate in Lubbock may reflect the conversion of single family housing to student rentals, a lucrative source of income for absentee landlords.

7 For a detailed discussion of these disparities, see Comparing 2010 American Community Survey 1-Year Estimates of Occupancy Status, Vacancy Status, and Household Size with the 2010 Census - Preliminary Results. United States Bureau of the Census (2011).

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