

## **Newport, the best comeback city in America?**

**By Matt Hanka and John Gilderbloom**

Once known as Cincinnati's dumping ground for organized crime activity, prostitution, and gambling, Newport, Kentucky has become one of the greatest comeback cities in America. Newport was a notorious den of corruption that then Attorney General Robert Kennedy brought national attention by cracking down on illegal activity that made the city famous. Some forty years ago, Newport was once known as the "vice capital of the south" according to Time Magazine. Just a decade ago, the downtown was a depressed area littered with sex-oriented businesses dominating historic Monmouth Street. Since then, the city has gone from vice to nice and from hips to hip. How did this miracle happen?

In an urban world beset with defeat, Newport is a feel good story about how one small Ohio River city turned itself around with strong leadership, entrepreneurship, forward-thinking federally funding programs, and effective partnerships between non-profit organizations, the higher education and business community, city government and neighborhood leaders. This resulted in destroying the outdated public housing and replacing it with programs designed to lift people out of welfare dependency with a second chance for education and job opportunities.

HOPE VI is a bipartisan urban revitalization program created in 1992 by HUD that eliminates inadequate and poorly designed public housing that were products of the urban renewal style of the 1940s and 1950s. Public housing projects of this era perpetuated a culture of poverty that contributed to an increase in crime, drugs, vandalism, and hopelessness.

This old public housing was replaced with single family homes in mixed integrated communities. HOPE VI played a role in improving the overall quality of life by reducing crime and increasing business and economic development in the downtown. Property values are up

and former public housing residents are getting off welfare and finding jobs with the promise of better housing. Some of these residents have purchased attractive homes and have become homeowners. Deconcentrating the poor and creating greater economic opportunities have positively impacted the crime rate in Newport's neighborhoods. As a result, overall crime in the four police districts in and around the old public housing decreased 19% from 2000 to 2007. No mega-homeless shelters in this river town.

The city of Newport has shown not only the initiative to pursue federal housing grants such as HOPE VI, but also to pursue a wide range of opportunities to increase economic development in downtown Newport. Businesses in Newport's downtown since HOPE VI are of higher quality than the 1990's. The site of the old public housing has been cleared to make way for a \$1 billion investment over the next 10-15 years. The Ovation development will offer first-class, mixed use development, including retail, office, condominiums, a hotel, and additional lodging, entertainment and recreational amenities in close proximity to downtown. The economic revitalization of Newport has occurred through property value changes in HOPE VI and non-HOPE VI neighborhoods. The HOPE VI areas have experienced a higher appreciation in property value than those in non-historic and non-HOPE VI areas. Historic Preservation districts have had the largest increase in property values.

Much of the success in Newport is the result of steady and consistent leadership of Mayor Thomas Guidugli, who will complete his third and final term and 16 years in office as mayor at the end of 2008. This consistency has enabled the mayor and his staff to set goals and implement a common sense strategy for revitalizing Newport by aggressively pursuing property acquisition on the riverfront for the Newport on the Levee development and the Newport Aquarium. These developments have attracted new businesses, tourists, and jobs and economic

development in the downtown. The city also has pursued accreditation for the City of Newport police department to create a professional and progressive department. Also, Newport received a big assist from Cincinnati by reinvigorating downtown Cincinnati through the development of new museums and professional sports stadia for the Cincinnati Reds and Bengals.

Newport still has untapped potential to encourage civic engagement and economic development. One strategy is converting one-way streets to two-way streets in the city. Converting one-way streets to two-way streets with parking, trees, and bike lanes to calm traffic will make neighborhoods more livable for families, young urban professionals and the elderly, who want to live closer to medical care downtown.

While HOPE VI is not the only reason for Newport's resurgence from "vice" to "nice," it has played a major part of this successful comeback story. HOPE VI has been a positive force in the renewal, restoration, and revitalization of Newport. As a new President comes into office, we need to look at the Newport model for inspiration and hope.

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