

**Written Testimony of Mark Mallory
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**Before the
United States House of Representatives
Subcommittee on Housing and Community Opportunity**

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Madam Chair and distinguished members of the Subcommittee on Housing and Community Opportunity, on behalf of the City of Cincinnati, I respectfully submit the following testimony regarding better utilization of accurate data in urban communities.

Demographic data is routinely used by the private sector, the public sector, and even by private individuals to make key location and financial decisions. In order to make certain that services are located where they are needed most, Mayors must ensure the accuracy of their city's data. With accurate data in hand, Mayors can assess the most underserved parts of their community and begin to drive investment to those areas.

Challenging the Census

In June of 2006, the United States Census Bureau released its 2005 population estimates. Those estimates claimed that Cincinnati's population had decreased 6.8% since the year 2000, making it the fastest shrinking city in the United States. The local media ran multiple, high-profile stories on the population decline, including ample speculation on the cause of the loss. Civic pride seemed to be at an all time low.

No one in the media questioned the validity of the Census Bureau's data. After all, census data comes with a certain level of authority and believability. However, all of the new development, housing starts, and general energy that I had witnessed since becoming Mayor told me that the census data simply could not be correct.

I decided to challenge the figures. Using a statistical analysis of city records; including building permits, demolition permits, and conversions of commercial and industrial buildings into new housing; we were able to prove that Cincinnati was not losing population at all. In fact, with 331,310 people, we were gaining population for the first time in over 50 years. The Census accepted our challenge and perceptions about the state of Cincinnati began to turn around.

Beyond the Census: Creating a Complete Picture of Cincinnati

In going through the census challenge process, it was clear that the census update process still left many Cincinnatians uncoun­ted. At this point, I became aware of a national non-profit organization called Social Compact that was creating a new paradigm in demographic counts with their *DrillDown Analysis*. The analysis strived to find populations and, importantly, incomes that are not traditionally captured by the census.

I invited Social Compact to work in Cincinnati and, by overlaying 27 different pieces of non-traditional population and income data; they were able to find almost 47,000 additional people representing \$2 billion dollars in unrealized spending power. The numbers were staggering. If the data had been so wrong, how many decisions about where grocery stores, banks and pharmacies were needed in our neighborhoods were wrong as well? An uncoun­ted population certainly meant an underserved population.

Filling the Need: Shop 52

With more accurate data in hand, my office created *Shop 52*, a strategy to increase needed services in each of Cincinnati's 52 neighborhoods. In order to capitalize on the previously unrecognized potential of our neighborhoods, I knew that city government would have to embrace these new figures and we would have to engage the private sector, financial institutions, and community leaders.

Public Sector Leadership

Immediately after the Drilldown study was released, I sat down with the City's department directors and made it clear that the Drilldown's population figure of 378,259 – and not the census data – was to be considered fact by our local government. The administration's "Neighborhood Enhancement Program," an effort that focuses intensive city services on one neighborhood for 90 days, worked hand-in-hand with the Drilldown analysis by operating in neighborhoods that were recognized by the study as most underserved.

Engaging the Private Sector

According to the Brookings Institute's *Urban Market Initiative*, 80% of all retail decisions are based on census-derived data. That means that retailers were not looking at Cincinnati in an updated, accurate way. I put together a Retail Attraction Task Force, made up of local commercial retail brokers, to help spread the word about Cincinnati's true potential. Additionally, I worked with the brokers to help set up meetings with retailers at the International Convention of Shopping Centers (ICSC) annual meeting. Prior to 2007, the City of Cincinnati had never attended an ICSC event. I have committed to regularly attending those "deal-making" meetings to help sell Cincinnati to the national retail community.

At last year's ICSC meeting, several retailers told me that they would love to locate in Cincinnati if they could find a franchisee willing to work with them. I have also heard from several local citizens who are interested in opening their own franchise. In May of 2008, I will be working with the International Franchise Association (IFA) to hold an educational seminar that will encourage additional minority, woman and veteran owned franchises in Cincinnati. The seminar will help connect individuals to specific franchises and will also walk them through the steps necessary to begin work in the field.

One retail need, in particular, was emphasized by our new data – Cincinnati is ready for a downtown full-service grocer. To that end, I convened a Grocery Store Task Force made up of community leaders, young professionals, development experts and downtown champions. Their sole purpose is to make the case for a downtown grocer and then to make it a reality.

In order to fill the need for increased services in our underserved communities, Cincinnati cannot rely on national retailers alone. Small, locally-owned businesses will be vital to the growth of our city. Because of this, I saw the importance of engaging financial services to discuss increasing capital for Cincinnati's small businesses. In February of 2008, I brought together 100 community leaders, community development experts, small business service providers and banking professionals for an *Urban Markets Summit*. The discussions centered on barriers and opportunities in the local small business development environment and the group looked at four specific neighborhoods to discuss improvements in their individual business districts.

As a result of the summit, city government will be beginning discussions about how the ideas generated can help shape future policy. Additionally, a national provider of secondary markets for small business loans has committed to expanding in Cincinnati. I will continue discussions about the ways that local banks can help further Cincinnati's potential.

Engaging Communities

I have always believed that any neighborhood development must be driven by community leaders with full input from the neighborhood's citizenry. With this in mind, I met with community council presidents in small groups to share the new Drilldown data with them. Armed with the new data, neighborhood leaders will be better prepared to direct change in their business districts.

Additionally, I asked community council presidents for information about their neighborhoods. What currently unused properties in their neighborhoods do they see as having the highest potential? What types of development would they like to see in their neighborhoods? The information they provided me with will help me direct services to those communities as I work with the retail community.

Moving Forward: Continuing Better Data Utilization

The better utilization of data can go a long way to drive the perceptions about a community. Every year, a wide variety of “surveys” comparing cities to each other are released. The surveys name everything from the top 25 most violent cities, to the top 10 poorest cities, to the top 20 fattest cities. When a city makes one of the lists, it inevitably makes local headlines and enters the community conversation. The surveys have a way of becoming key perception drivers.

Of course, if the foundational data used in these surveys is flawed, the results will be flawed as well. That foundational data often comes directly from the census. A recent survey naming Cincinnati the “3rd poorest in the country” used outdated Census data. With current data, our city doesn’t even make the list. I’ve asked my Young Professionals Kitchen Cabinet (YPKC) – a group of 100 young professionals I have convened to help Cincinnati attract and retain young professionals – to look into the issue. The YPKC will help drive accurate data to the creators of these lists. Ideally, a proactive use of accurate data will be used to adjust Cincinnati’s position on the lists and therefore drive national and local perceptions about our city.

With the amount of emphasis that my administration has put on data-driven policy, the 2010 Census will be central to the continued development of Cincinnati. We must get the count right. The *DrillDown* study taught us how many people are here. With all of the continued growth that Cincinnati is experiencing, 378,259 people should be the absolute minimum that we should expect to find in 2010. To help ensure that, I am convening a “complete count” committee that will serve to get as accurate a count as possible. I am determined to make Cincinnati’s 2010 count process a national best practice.

In the coming decade, a wide variety of decisions will be based on the data that we are able to collect about our community. Cincinnati Public Schools will decide how many teachers they need and where new schools should be built. Developers will decide whether or not to move forward with major new projects. Small business owners will decide whether to open a second location. Citizens will decide whether Cincinnati is where they want to raise their families. All of these decisions will be better informed, and Cincinnati will be better positioned for the future, if we demand better data.