Using Data to Guide Neighborhood Strategies

Jeff Matson
Center for Urban and Regional Affairs

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Oakland, CA
Overview

- CURA
- Twin Cities Housing Market Index
- Moving Beyond the Gap – Neighborhood Indicator Assessment
- Admin Data
- Web Tools
Center for Urban and Regional Affairs

• 45+ years of Community Engagement

• Student-based research
• Faculty-led research
• Technical Assistance
  ▪ Community Geographic Information Systems (CGIS)
Collaborative effort since 1995

- Urban Institute & local partners; now 35 cities
- All partners regularly assemble, organize and transform neighborhood-level data to support local decisionmaking.

Success based on:
- Trusted and engaged institutions
- Relevant and high-quality data
- Mission to support use of data for local action
Twin Cities Housing Market Index

- The Challenge of Neighborhood Stabilization*
  - Need to target funds very efficiently, but easy to make mistakes
  - Good decisions requires good data

* - LISC, Foreclosure Response.org
ALIGNING POLICIES WITH NEIGHBORHOOD CONDITIONS

<table>
<thead>
<tr>
<th>MARKET STRENGTH</th>
<th>FORECLOSURE IMPACT RISK</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>C. Actual high foreclosure density</td>
</tr>
<tr>
<td>1. Strong</td>
<td>Facilitate rapid sales to sustainable owners, low/no subsidy</td>
</tr>
<tr>
<td>2. Intermediate</td>
<td>High payoff/priority, rehab and rapid sale to sustainable owners, target subsidies, neighborhood maintenance</td>
</tr>
<tr>
<td>3. Weak</td>
<td>More emphasis on securing/demolishing, land banking to hold until market rebound</td>
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</table>
Housing Market Index Variables

- Value Retention
- Owner-Occupants
- Housing Condition Rating
- Vacancies
Twin Cities Housing Market Index

Summary
- Value Retention: -25.2%
- Homestead Rate: 87.2%
- Vacancy Rate: 0%

Stronger  Average  Weaker

UNIVERSITY OF MINNESOTA
Driven to Discover
LISC Building Sustainable Communities Focus Areas
Fair Housing Equity Assessment

Behind the region's economic prosperity are wide disparities between people of color and the rest of the population. The region ranks #1 nationally for disparities in poverty, employment and homeownership, and near the top (#4) for per capita income.

- **Poverty**: 5.7x higher for Black people than for white non-Latino people.
- **Unemployment**: 2.9x higher for Black people than for white non-Latinos.
- **Homeownership**: 49% household of color are half as likely to own their home as white non-Latino households.
- **Per Capita Income**: $18,078 for people of color, $37,493 for white non-Latinos.

Fair Housing Equity Assessment

What may be possible if we eliminate the disparities by 2040:

- **Per capita income**: $34.5 billion
- **People in poverty**: 298,000
- **Homeowners**: 216,000
- **People employed**: 137,000
- **People age 25+ with high school diplomas**: 182,000

Changing Demographics

Percent People of Color, 1980, 2010, and 2040

1980: 
- Less than 10%
- 10% to 19%
- 20% to 34%
- 35% to 49%
- 50% or more

2010:
35% to 49%

2040:
50% or more

Overview

• Contract with LISC and Building Sustainable Communities Partners
  – Neighborhood Assessment
  – Technical Assistance

• Shared understanding of data
• Illuminating gaps & racial disparity
• Quantify the values in each critical category

• How can community organizations best use this data?
Data Categories

- Housing
  - Cost-burdened households
  - Vacancy
  - Home ownership
- Employment
  - Unemployment rates
  - Labor force participation
  - Joblessness
- Poverty
  - Households in poverty
  - Wage categories
- Public Safety
  - Crime
LISC Neighborhood Assessment

Housing: Home Ownership

Key Findings

Home Ownership Rate
- The overall home ownership rate for North Minneapolis is roughly equivalent to the overall citywide rate
- In North Minneapolis, the home ownership rate for Non-Hispanic whites is more than 25 percentage points higher than for all other racial/ethnic groups

Home Ownership Gap
- If the home ownership rate for African Americans in North Minneapolis were to match the city rate for Non-Hispanic whites, 1,858 African American households would need to enter home ownership

Increase in Home Ownership
- If 1,858 African American households purchased homes, the citywide African American home ownership rate would increase from 20% to 27%
LISC Neighborhood Assessment

**Home Ownership**

**Home Ownership Gap**
- **White (Non-Hispanic) households in Mpls.**
- **African American households in N. Mpls.**
- **27% gap = 1,858 units**

**Increase in Home Ownership Rate**
- **27% New African American Rate in Mpls.**
- **7%**
- **20% Current African American Rate in Mpls.**

**KEY FINDINGS**

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LISC Neighborhood Assessment

**Housing: Home Ownership**

**Home Ownership Gap**
- White (Non-Hispanic) households in Mpls: 60%
- African American households in N. Mpls: 33%
- 27% gap = 1,858 units

**Increase in Home Ownership Rate**
- 27% New African American Rate in Mpls.
- 20% Current African American Rate in Mpls.
- 7% increase

**KEY FINDINGS**

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<tr>
<td>SE:T41. Total Population</td>
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<td>White 16 Years Old In Civilian Labor Force</td>
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<td>175,252</td>
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<tr>
<td>Employed</td>
<td>791</td>
<td>163,832</td>
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In order to reduce the African-American unemployment rate to: 7%

This many more people would need to find jobs: 694
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In order to reduce the African American unemployment rate to: 20%

This means more people need to find jobs: 387
Cost-Burdened Rate

Central Corridor St. Paul  Metro Region
Renters-Occupied

The Cost-Burden Rate for Renters-Occupied Housing Units in Central Corridor St. Paul is: 54.3%

The Cost-Burden Rate for Renters-Occupied Housing Units in Metro Region is: 48%

Matching the Cost-Burden Rate in Metro Region would Require This Many Households to Move Out of Cost-Burdened Status: 221
Indicator Assessment

• Consistent spatially concentrated and racially differentiated economic disparities North Minneapolis
• Trends have remained constant in the last decade
• Targeted strategies need to take into account both race and location

• Moving Forward
  – How can we target policies toward closing this gap?
  – Understanding the multi-dimensional framework of education, unemployment, housing cost and poverty
  – Place-specific and program-oriented
Thank You!

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