# Using Data and GIS to Target Neighborhood Stabilization Program Dollars

**Presented at the 2009 PA Chapter of American Planning Association Annual Conference - "Investing in a Sustainable Future"**

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The Reinvestment Fund

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Capital at the point of impact.

# Profile of TRF

*The Reinvestment Fund builds wealth and opportunity for low-wealth communities and low and moderate income individuals through the promotion of socially and environmentally responsible development.*

We achieve our mission through:

**Capital**

- Grants, loans and equity investments

**Knowledge**

- Information and policy analysis

**Innovation**

- Products, markets and strategic partnerships

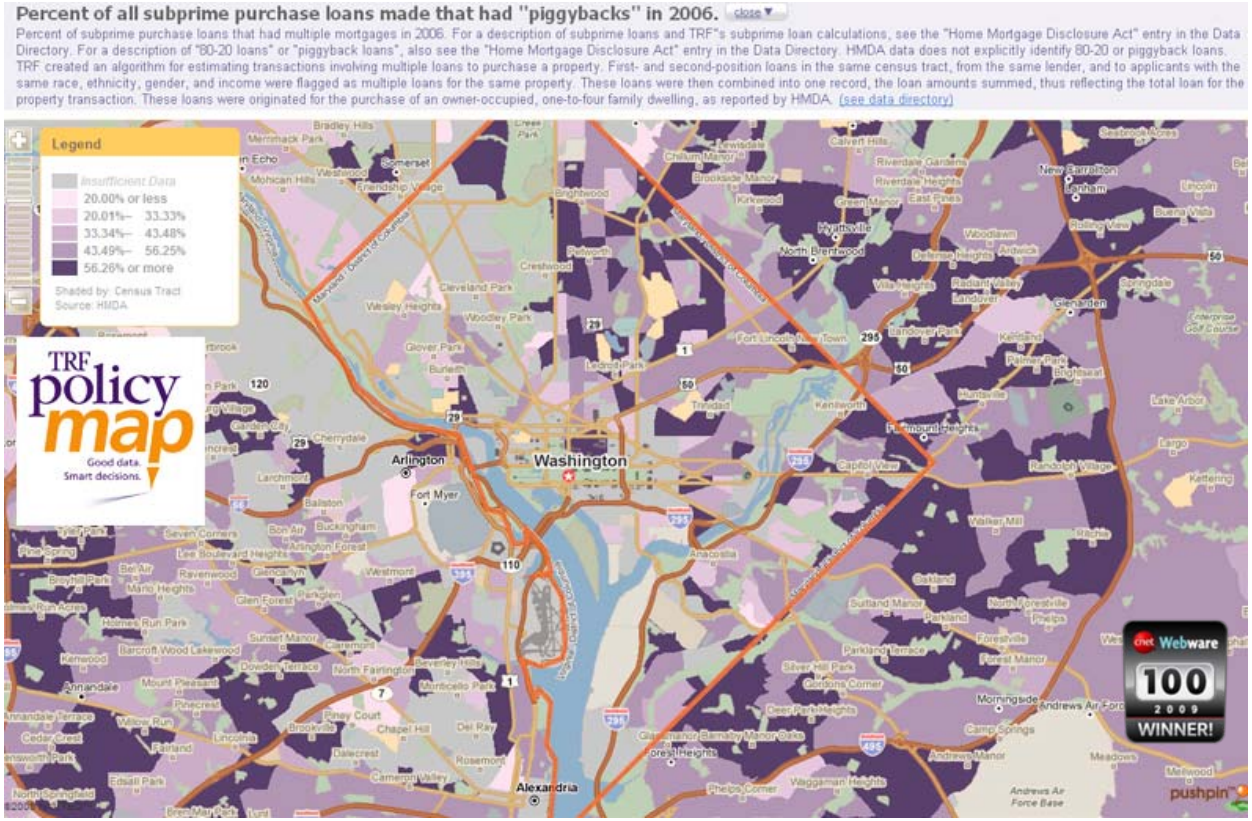
# Profile of TRF

- Founded in 1985
- Over $865 million in cumulative investments
- Primary Geography: Mid-Atlantic Region; offices in Philadelphia, Washington, DC and Baltimore, MD
- Currently Manage: over $545 Million
- FY2009: $81.6 million in loans and investments
- Since inception, more than:
  - 18,512 housing units created, renovated or preserved
  - 9,725 child care slots created or preserved
  - 27,447 Charter school slots created or preserved
  - 7.8 million square feet of commercial space created, renovated or preserved
  - 505 businesses

**Recently launched two new business ventures:**
**TRF Development Partners and Policymap.com**

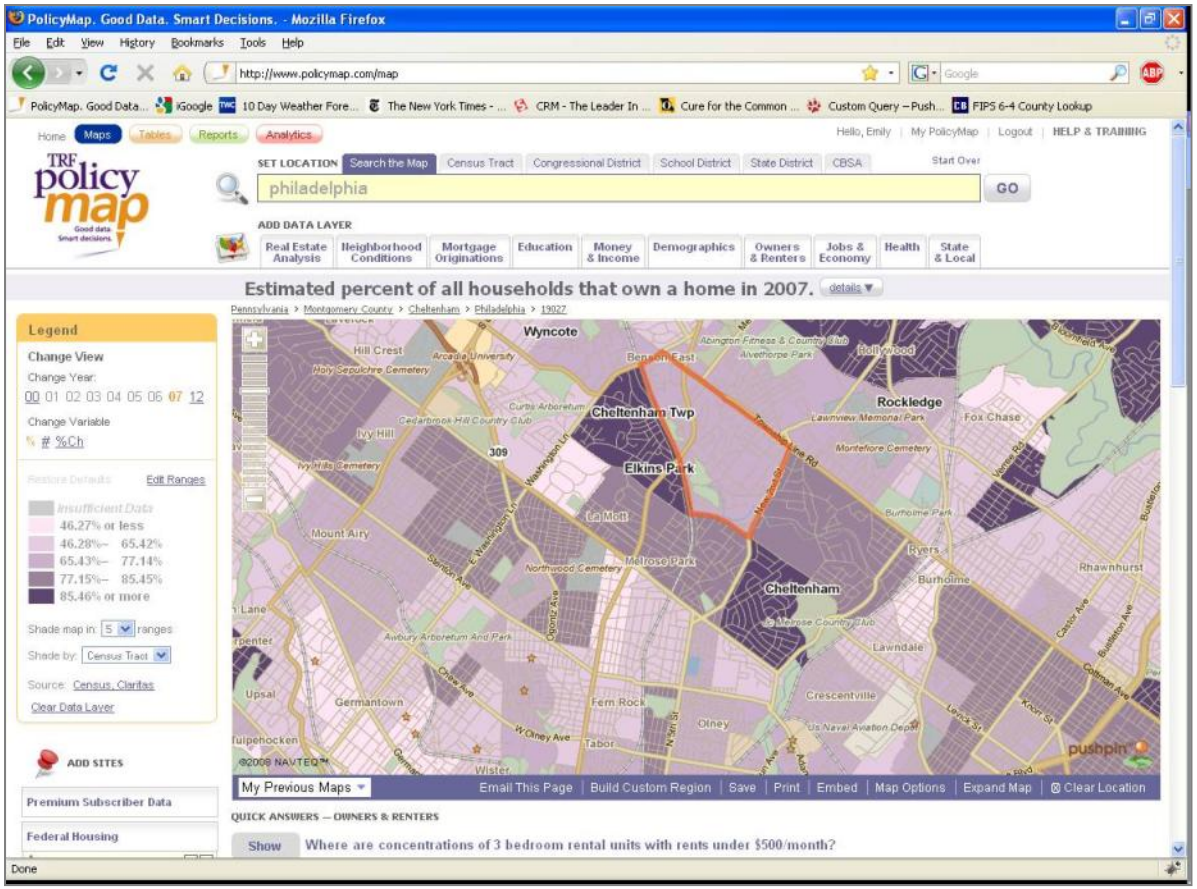
# PolicyMap: All the data you need. All in one place. All online.

- National data mapping and analysis tool
- Easy, online access to data and analytical tools in a sophisticated yet user-friendly web platform
- Over 10,000 data indicators as well as proprietary TRF analytics, with frequent additions.
- CNET award winner for best of location-based services Web 2.0 products



# PolicyMap: Maps

- Flexible Search Options
- Thematic data ranging from home sale data to unemployment
- Point data
- Custom Region feature
- Edit Break Points feature
- Map Options for displaying boundaries

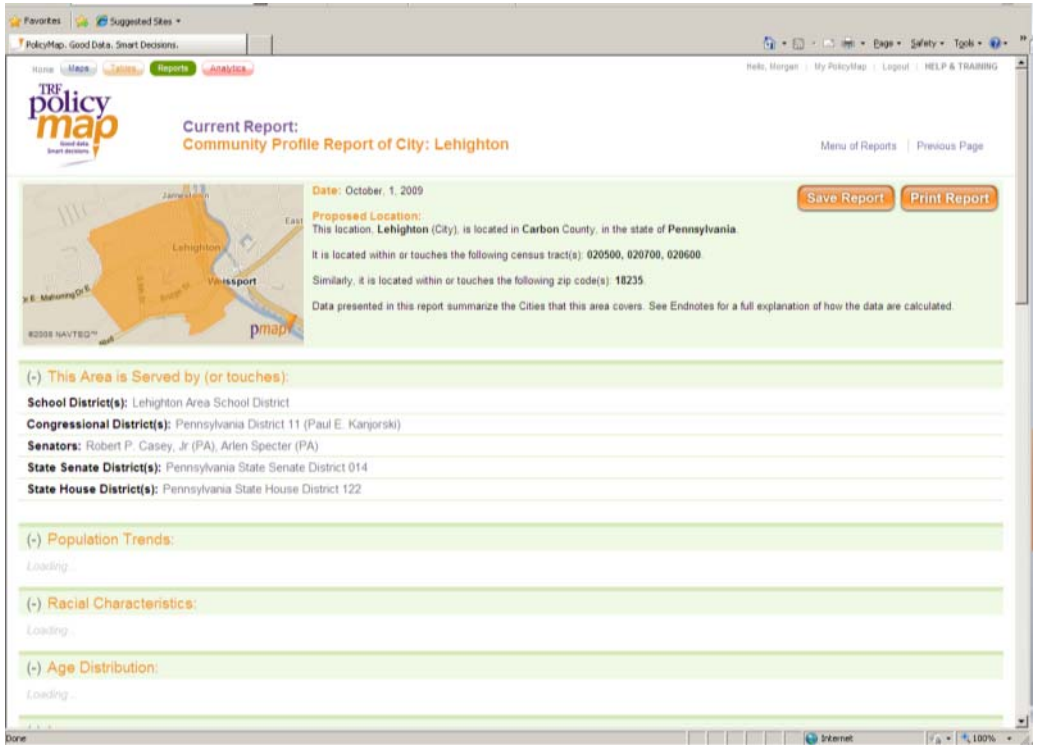


# PolicyMap: Tables

- Tables
- Bar Charts
- Trend (line) Graphs
- Data Download
- Rankings
- Site Lists

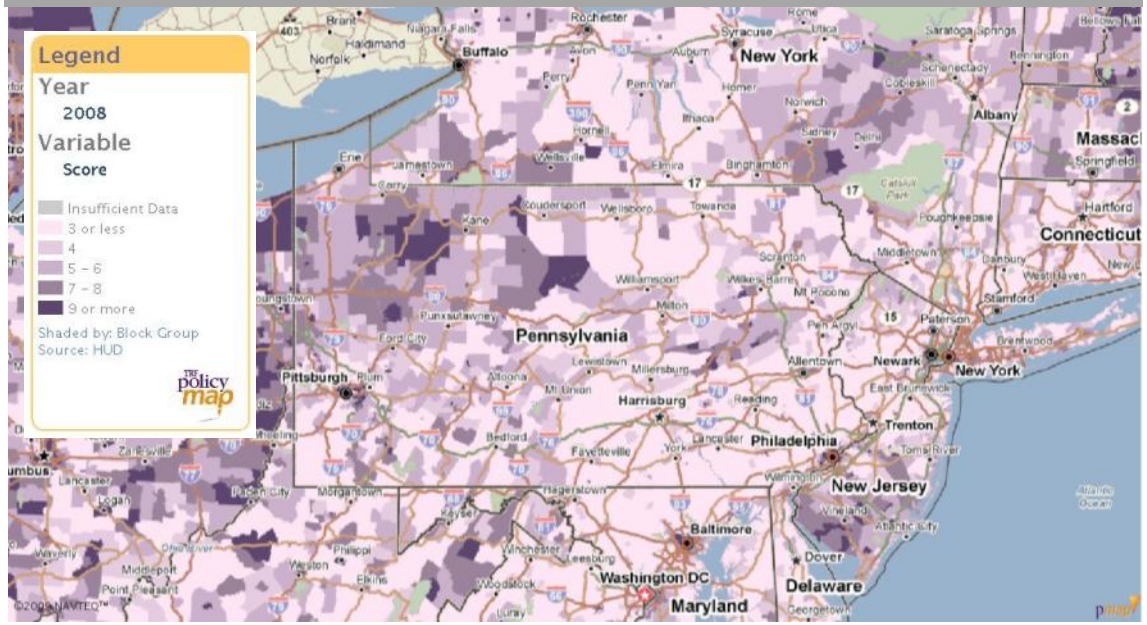
# PolicyMap: Reports

- Reports for pre-defined locations, radius around an address, custom region
- Community Profile, HMDA, Home Sale Reports



# Using PolicyMap for NSP Applications

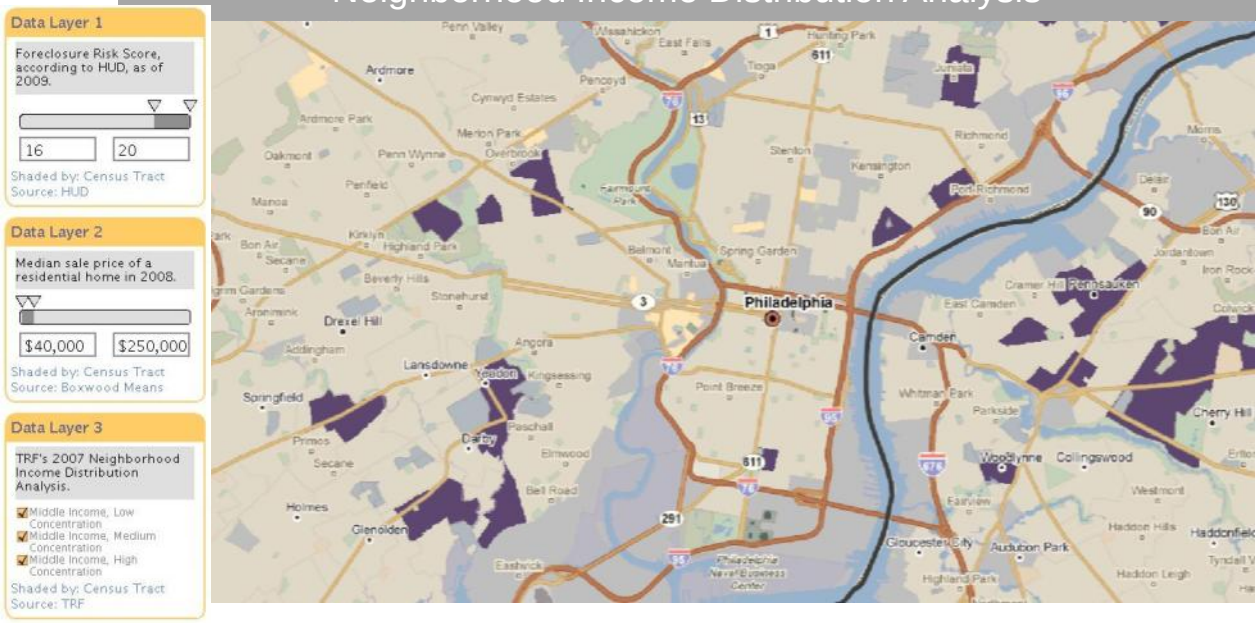
Estimated foreclosure/abandonment risk score, according to HUD, as of 2008




- PolicyMap posted HUD NSP criteria data within the week of release
- HUD linked to PolicyMap as a tool for applicants
- All 309 grantees used PolicyMap maps in their applications

# Applying PolicyMap to NSP Awards

Foreclosure Risk Score | Median Home Sale Price | Neighborhood Income Distribution Analysis




- PolicyMap was awarded a HUD NSP TA grant to assist communities in allocating their NSP funds
- PolicyMap allows state and local government NSP recipients to assess the conditions of their communities
- PolicyMap's Analytics Tool enables NSP recipients to target funds through a data-driven approach

# TRF's Market Value Analysis (MVA)

TRF Capital at the point of impact.

# What is TRF's MVA

- The Market Value Analysis (MVA) is a tool developed by The Reinvestment Fund to assist government officials make decisions about the allocation of financial resources and programmatic interventions.

- It is based on a comprehensive set of data detailing the real estate markets at a very fine level of geographic specificity.

# Preparing the MVA

1. Take all of the data layers and geocode to Census block groups.
2. Using a statistical cluster analysis, identify areas that share a common constellation of characteristics.
3. Map the result.
4. Visually inspect areas of the City for conformity with the statistical/spatial representation.
5. Re-solve and re-inspect until we achieve an accurate representation.

# Components of the Philadelphia MVA

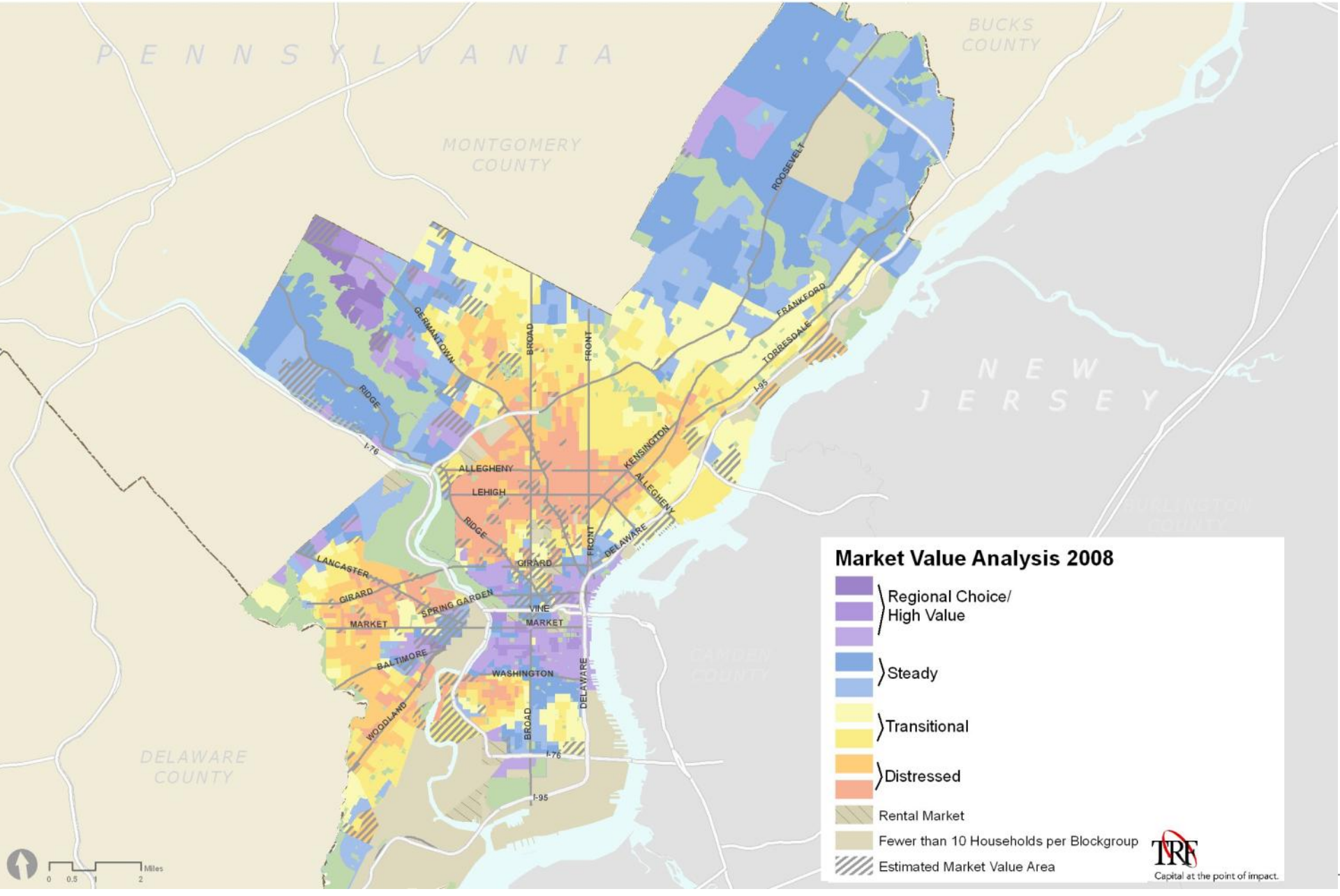
- Median sales price 2006-07
- Coefficient of variance for sales price 2006-07
- Percent of rental stock that is subsidized (developments and project-based section 8)
- Vacancy factor (an index including utility shutoffs, vacant parcels from BRT, mail discontinuation, demolitions)
- Foreclosure as a percent of sales 2006-07
- Percent commercial
- Percent owner-occupied, 2007
- Housing units per acre
- New construction (estimated from tax abated inventory and units with a post-2000 construction date in BRT as neither seemed wholly representative)

# Who is using the MVA?

TRF has done this work under contract to cities and states including:

- City of Philadelphia, PA
- City of Wilmington, DE
- City of Newark, NJ
  (and an additional 8 regions across the State of NJ)
- District of Columbia
- City of Baltimore, MD
- City of San Antonio, TX
- City of Pittsburgh, PA

# Market Value Analysis; 2007/2008



# Market Cluster Characteristics

| Market Value Analysis 2007/2008 | | | Median sales price 2006-2007 | Coefficient of Variance of Sales price 0607 | Vacancy factor | Foreclosures as a percent of sales 0607 | Percent Owner Occupied 2007; Claritas | Percent Commercial or Stores with Dwellings; (BRT cat 3,4) | Percent of Residential Properties Tax Abated or Built 2000-2008; BRT | Percent of Rental Units that are PHA owned | Housing Units per Acre |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Regional Choice/ High Value | Dark Purple | Median | $ 960,450 | 0.47 | 0.4 | 12.5 | 90.3 | 4.4 | 3.4 | 0.0 | 0.8 |
| | | Mean | $ 928,670 | 0.45 | 0.5 | 37.5 | 74.4 | 5.4 | 4.0 | 0.0 | 4.3 |
| | Medium Purple | Median | $ 550,000 | 0.54 | 0.3 | 4.4 | 29.9 | 6.1 | 4.5 | 0.0 | 18.9 |
| | | Mean | $ 576,436 | 0.51 | 0.6 | 8.3 | 34.1 | 6.9 | 15.5 | 0.4 | 20.7 |
| | Light Purple | Median | $ 351,250 | 0.38 | 0.6 | 7.7 | 49.8 | 4.3 | 3.7 | 0.0 | 13.5 |
| | | Mean | $ 360,387 | 0.41 | 1.1 | 17.2 | 48.5 | 7.5 | 11.5 | 0.7 | 17.5 |
| Steady | Dark Blue | Median | $ 220,000 | 0.28 | 0.6 | 14.6 | 64.0 | 3.2 | 0.7 | 0.0 | 8.4 |
| | | Mean | $ 224,727 | 0.31 | 1.1 | 18.9 | 61.3 | 6.1 | 3.9 | 0.6 | 10.5 |
| | Light Blue | Median | $ 171,000 | 0.28 | 0.6 | 29.1 | 62.5 | 2.9 | 0.0 | 0.0 | 9.5 |
| | | Mean | $ 179,421 | 0.32 | 1.2 | 39.2 | 60.4 | 5.3 | 1.3 | 0.5 | 10.9 |
| Transitional | Light Yellow | Median | $ 124,000 | 0.29 | 1.2 | 27.4 | 76.9 | 2.8 | 0.0 | 0.0 | 12.6 |
| | | Mean | $ 125,974 | 0.32 | 1.9 | 36.0 | 71.0 | 4.4 | 1.0 | 0.8 | 12.6 |
| | Dark Yellow | Median | $ 80,000 | 0.41 | 4.3 | 39.2 | 68.5 | 3.4 | 0.0 | 0.0 | 12.7 |
| | | Mean | $ 82,226 | 0.45 | 5.0 | 46.0 | 63.9 | 5.3 | 1.1 | 2.7 | 12.5 |
| Distressed | Orange | Median | $ 49,925 | 0.55 | 9.5 | 45.5 | 63.6 | 4.0 | 0.0 | 0.9 | 13.1 |
| | | Mean | $ 50,325 | 0.56 | 9.8 | 52.1 | 61.0 | 5.6 | 0.3 | 3.2 | 12.9 |
| | Red | Median | $ 28,875 | 0.75 | 13.8 | 27.1 | 55.6 | 4.0 | 0.0 | 3.8 | 12.1 |
| | | Mean | $ 27,153 | 0.81 | 13.7 | 32.7 | 52.9 | 5.6 | 0.4 | 10.8 | 12.5 |
| City Total | | Median | $ 105,900 | 0.42 | 2.9 | 27.5 | 62.3 | 3.7 | 0.0 | 0.0 | 11.2 |
| | | Mean | $ 137,701 | 0.47 | 5.3 | 35.5 | 58.6 | 6.3 | 2.3 | 3.0 | 12.2 |

# Neighborhood Stabilization Program (NSP)

TRF Capital at the point of impact.

# HUD’s Neighborhood Stabilization Program (NSP)

The Neighborhood Stabilization Program (NSP) was established for the purpose of stabilizing communities that have suffered from foreclosures and abandonment. Through the purchase and redevelopment of foreclosed and abandoned homes and residential properties, the goal of the program is being realized.

# HUD's Neighborhood Stabilization Program (NSP)

HUD would value more highly those activities "…most likely to stabilize a community…"

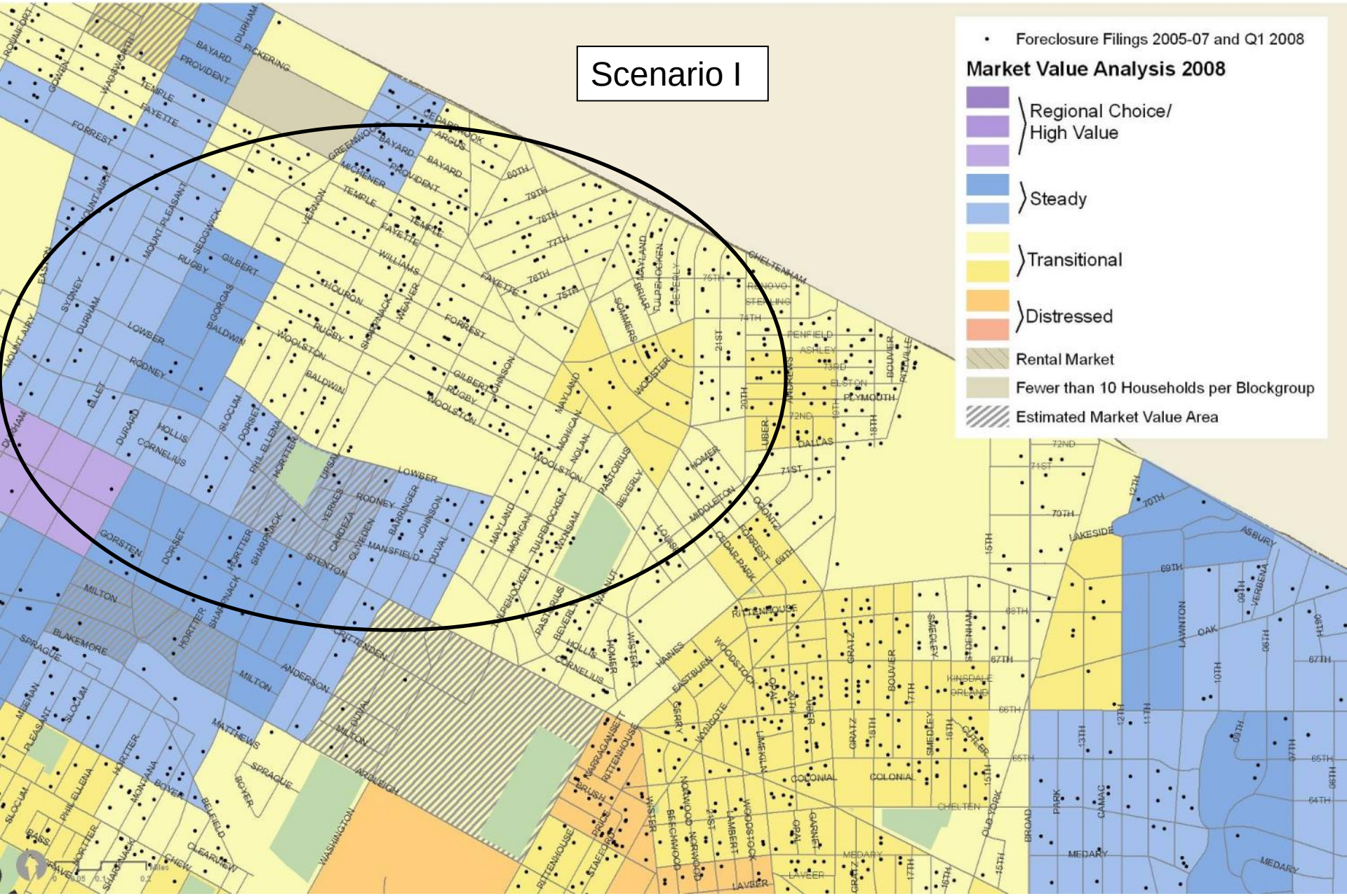
Specific attention paid to the extent that proposed activities addressed the full extent of the problem

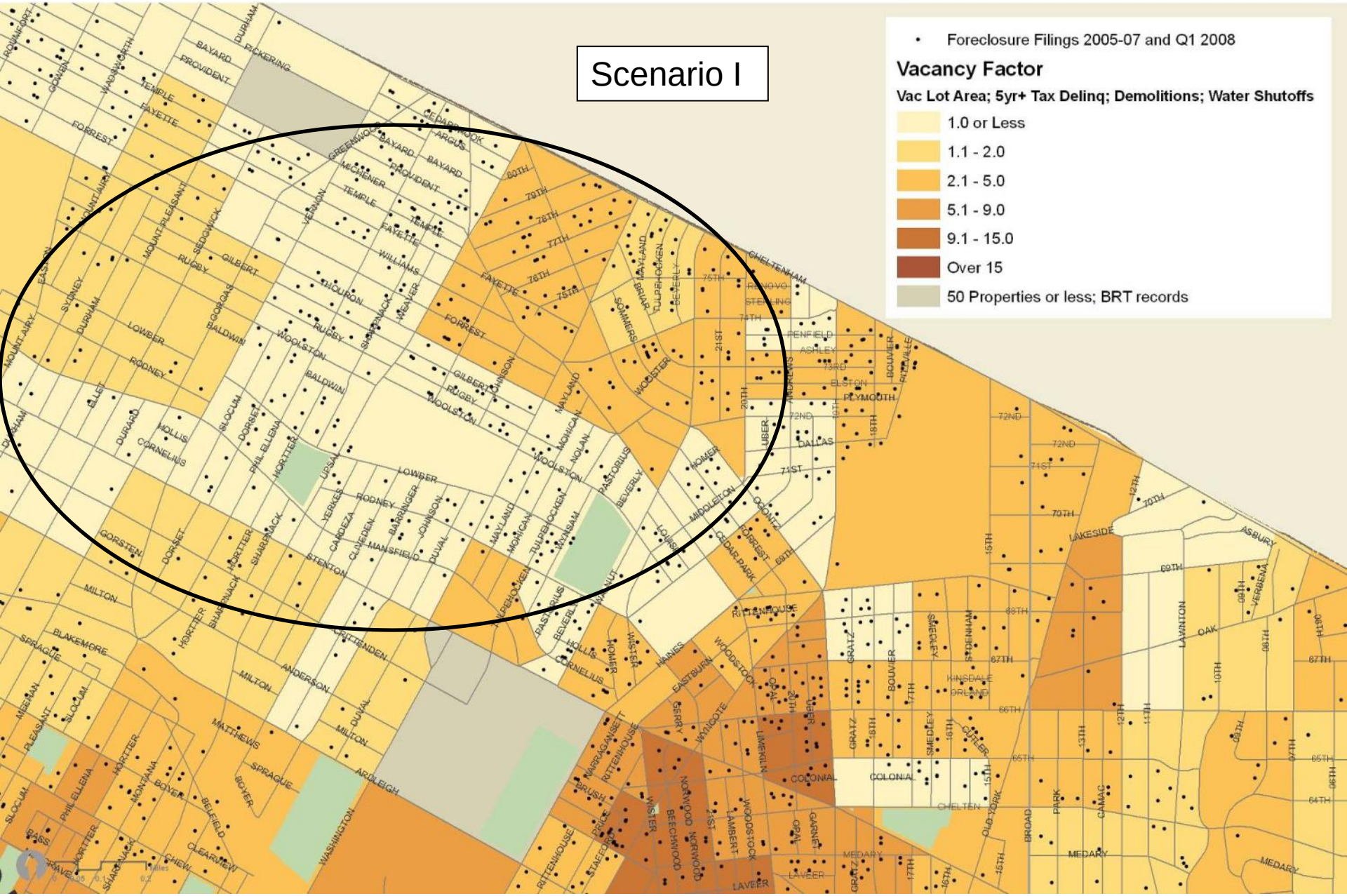
Example:

$$\frac{\text{(units acquired and rehabilitated + units demolished)}}{\text{total vacant units in target area}}$$

# Scenario I: Area is Consistent with Theory of NSP

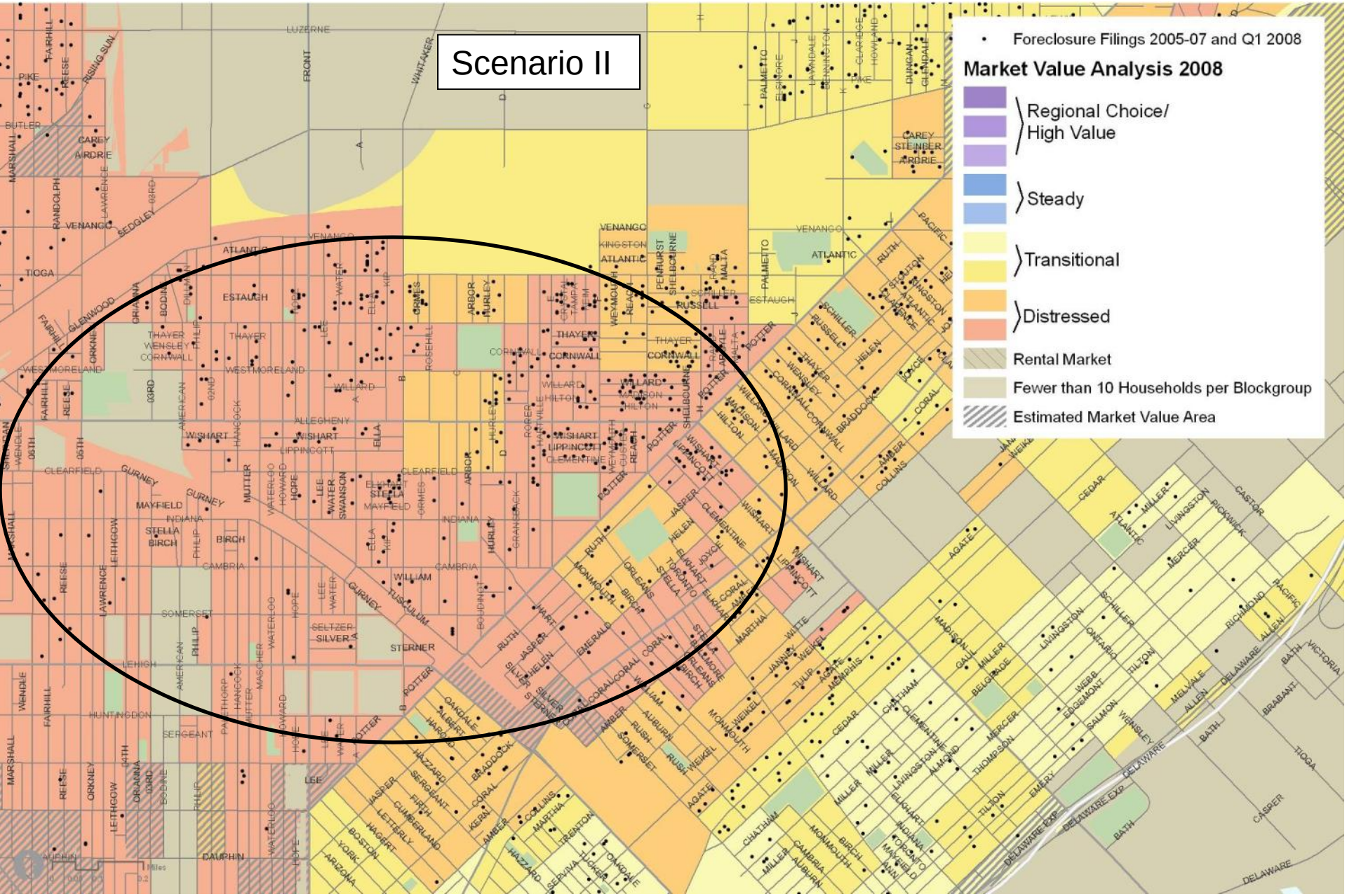
- The area's real estate market is characterized as relatively stable and steady.
- Vacancy in the area is primarily due to foreclosure, not high levels of historic disinvestment and high crime.
- The area is close to both stronger and weaker markets.
- With modest foreclosure-related investment you are preserving the existing value in the area.
- Without foreclosure-related public investment, these areas are likely to trend downward.


Scenario I
Foreclosure Filings 2005-07 and Q1 2008
Market Value Analysis 2008
Regional Choice/ High Value
Steady
Transitional
Distressed
Rental Market
Fewer than 10 Households per Blockgroup
Estimated Market Value Area


Scenario I
Foreclosure Filings 2005-07 and Q1 2008
Vacancy Factor
Vac Lot Area; 5yr+ Tax Delinq; Demolitions; Water Shutoffs
1.0 or Less
1.1 - 2.0
2.1 - 5.0
5.1 - 9.0
9.1 - 15.0
Over 15
50 Properties or less; BRT records

# Scenario II: Area is Inconsistent with Theory of NSP

- The area's real estate market is characterized as largely distressed.
- Overall vacancy levels are high and indicative of larger social and economic disinvestment.
- The area lacks proximity to market strength.
- Foreclosure-related investment alone will not impact the area's real estate market or have a positive spillover effect into adjacent neighborhoods.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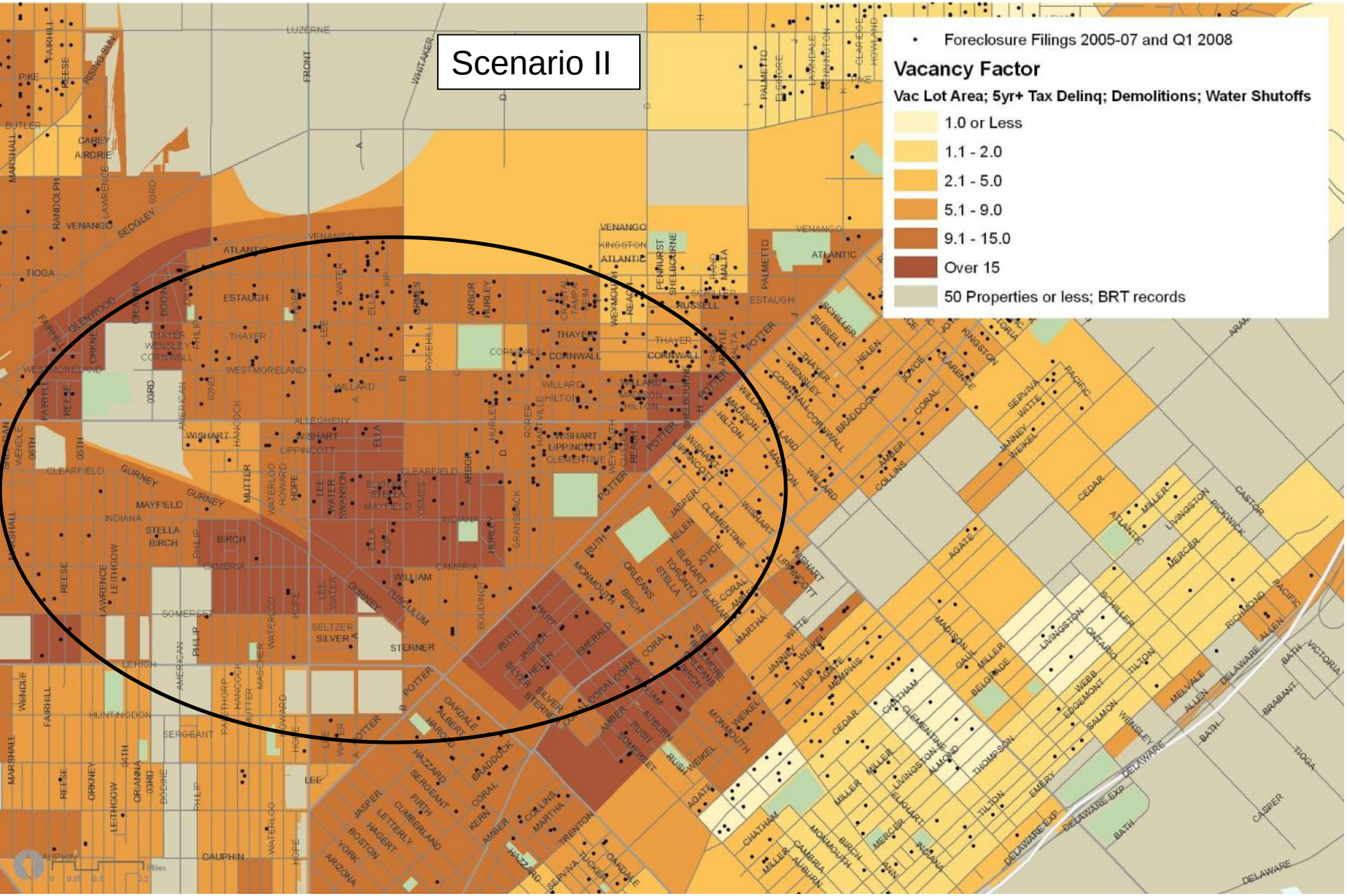
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# A Few Different Scenarios

**TOD Scenario (Allegheny County)**

- Modest price homes
- High combined index scores
- Close to transit lines

**Public Education Scenario (Philadelphia County)**

- Transitional MVA categories
- High (but not highest) combined index scores
- Close to better performing schools

# A Few Different Scenarios

**Drawing from Assets Scenario (York)**

- High combined index scores
- 50% AMI
- local CDC afterschool program (Crispus Attucks)

**Deconcentrating Poverty Scenario (Harrisburg)**

- Low to medium concentrations of poverty
- High combined index scores
- Low vacancy

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