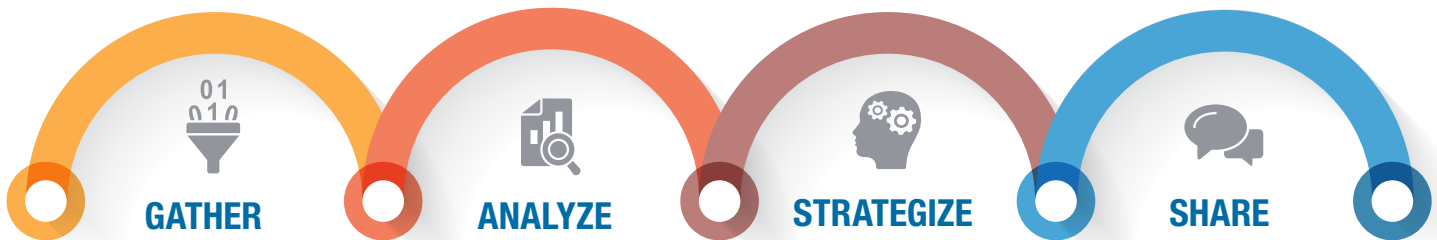# Neighborhood Data

How to Use Data to Inform Market-Responsive Strategies

Data is critical for understanding local real estate market conditions and building a market-responsive revitalization strategy. Whether communities are working to address emerging challenges, help stabilize neighborhoods, fulfill community goals, draw responsible investment, or foster equitable revitalization, quality data matters.

Neighborhood data can provide insights into home sale volumes, price trends, crime rates, foreclosures, delinquencies, and who is purchasing homes. Successful local decisionmakers rely on a series of indicators from national, local, and institutional data sources to create equitable, effective, and efficient, market-responsive revitalization strategies. Understanding these key indicators can help to address the underlying-root factors that keep problem properties "stuck" in decline and combat their negative impacts on neighborhoods.

Common Sources of Neighborhood Data

Data about your neighborhood is likely already available, and it can help residents better understand and participate in decision making. Some of the most common sources of neighborhood data are:

LOCAL
Register of Deeds, police and fire calls, tax records, windshield surveys

NATIONAL
U.S. Census, American Community Survey, Home Mortgage Disclosure Act

INSTITUTIONAL
Private utilities, Multiple List Serve (MLS)

How to Leverage Data to Inform Revitalization

GATHER

The first step in a data-informed revitalization strategy is to locate, gather, and aggregate comprehensive data about your local property markets and community conditions.

ANALYZE

Analyzing multiple datasets provides insights into underlying factors affecting neighborhood markets, including the neighborhood's current condition, trends, and how it compares to other neighborhoods in the same community. Using neighborhood data to inform your community's revitalization strategies can make vacant property efforts more equitable, effective, and efficient.

STRATEGIZE

Revitalization strategies are not one-size-fits-all. An intervention that works well in one neighborhood may be ineffective or even harmful in another. Leverage data — at the parcel-based level, and at the neighborhood and city levels — to inform any interventions.

SHARE

Make data publicly available, easily accessible, and visually appealing to help build trust, educate leaders and residents, and generate continued support. Proactively sharing neighborhood activity updates, project progress, and the contact information for key stakeholders (including public officials) are great ways to promote and ensure long-term success for revitalization efforts.

Learn More about how to use neighborhood data at **communityprogress.org/resources**

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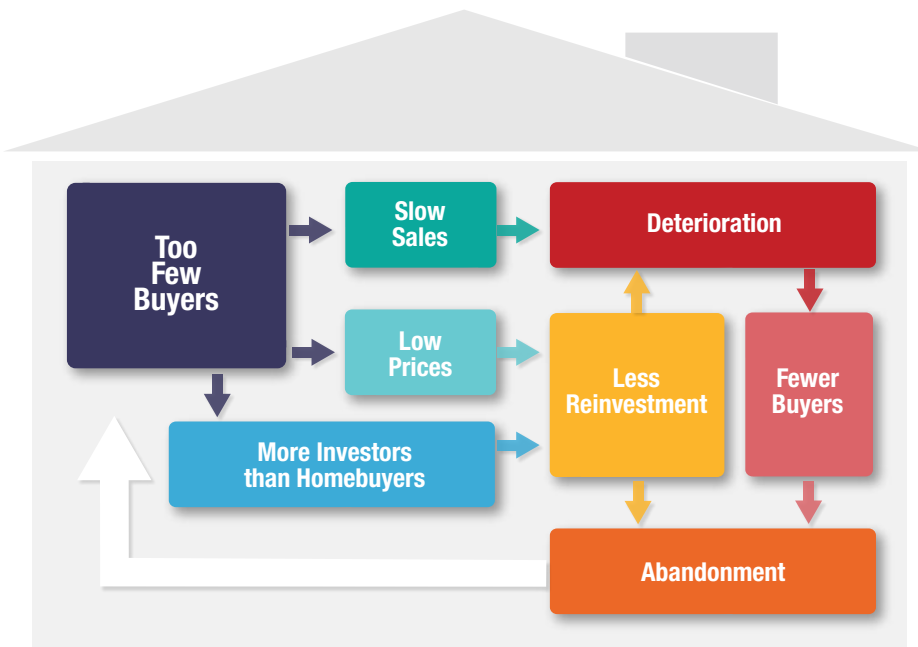Vacant Spaces into Vibrant Places

Neighborhood Markets

Understanding the role of real estate demand

Vacancy, abandonment, and deterioration are symptoms of a much larger, underlying issue: decreased or low demand. Removing a vacant or deteriorated structure through demolition alone will not reverse the underlying issues of weak demand and market imbalances. Vacancies will continue without a comprehensive market-responsive strategy to shift demand.

A neighborhood's real estate market will influence how effectively a community can address vacant, abandoned, and deteriorated properties. Strong demand for a neighborhood's land and buildings can make the difference in a neighborhood's trajectory.

Cycle of Low Real Estate Demand

Too Few Buyers → Slow Sales → Deterioration

Too Few Buyers → Low Prices

Too Few Buyers → More Investors than Homebuyers

Low Prices → Less Reinvestment

Deterioration → Less Reinvestment → Fewer Buyers

More Investors than Homebuyers → Less Reinvestment

Less Reinvestment → Abandonment

Fewer Buyers → Abandonment

Learn More about the role of real estate demand at **communityprogress.org/resources**

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Aspects of local real estate markets

A neighborhood's real estate market includes a combination of property characteristics, prices, owners, and interested buyers (including individuals and investors). When developing a comprehensive market-responsive strategy to revitalization it is important to understand the following aspects of the local real estate markets:

RECOGNIZE EVERY NEIGHBORHOOD IS UNIQUE

Local leaders must have an understanding of neighborhood markets in order to develop strategies that will be responsive to each neighborhood's unique needs and market conditions rather than deploying a one-size fits all approach across a municipality.

GATHER, ANALYZE, AND INTERPRET DATA

Market realities change neighborhood by neighborhood and even block by block. Data, including how much properties are selling for, to whom, and the condition of existing structures, is a critical component to understanding a neighborhood's market.

DEVELOP A STRATEGY WITH A FOCUS ON EQUITY

Creating a market-responsive strategy should never mean choosing to give all resources to places with stable markets and ignore distressed market neighborhoods. It is about providing the tools and resources that can effectively support community goals in that market. For example, employing affordability protections in rising markets and prioritizing home repair grants in distressed markets.

Understanding local real estate market conditions and how they affect the community is an important part of creating a strategic, comprehensive approach to addressing vacant properties.

Learn More about the role of real estate demand at **communityprogress.org/resources**

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American Rescue Plan Act (ARPA)

Why should ARPA funds be invested in understanding neighborhood data and markets?

The American Rescue Plan Act's (ARPA) $350 billion State and Local Fiscal Recovery Fund distributes federal relief to every US state, local, territorial, and Tribal government, which must be obligated by December 31, 2024 and expended by the end of 2026. This once-in-a-lifetime infusion of flexible funding is focused on catalyzing broader community recovery and rebuilding and addressing the immediate and long-term negative impacts of the COVID-19 pandemic, particularly on low-income communities and people of color.

NEED: Communities cannot develop effective, efficient, and equitable strategies to address neighborhood destabilization exacerbated by the pandemic's economic impacts without an understanding of the nature and scale of problem properties and neighborhood markets.

OPPORTUNITY: Activities to **improve local data systems, management practices, and analysis capacity are ideal candidates to address this need with ARPA funding** given the following:

1 Through data collection, mapping, and analysis, communities can **identify what inequities exist in their community and who has been disproportionately burdened** by the economic harm caused, or exacerbated, by the crisis and can make the case for specific relief for those people and places.

2 Local government departments and their partners can harness their abundance of siloed data through a robust data sharing platform to **drive direct financial relief and health improvement services**, to those households and neighborhoods most impacted.

3 With complete and timely data on properties' ownership characteristics, physical condition, sales, and tax status communities can **deploy market-responsive, equitable strategies to create healthier living environments** and neighborhoods, a stated ARPA goal.

4 Planning and data analysis in order to improve programs, targeted consumer outreach, improvements to data or technology infrastructure, and impact evaluations are **explicitly eligible ARPA uses**.

5 Good data systems will enable local communities to efficiently **assess and report on the impact of their ARPA spending** to their community and Treasury.

ARPA ON THE GROUND

- Syracuse, NY proposed to use ARPA funds for a housing market study that would analyze vacant structures and housing market conditions and trends and to invest in advanced technology for housing inspectors to detect lead hazards.

- Detroit, MI will be using $4 million in ARPA funding to create a web-based portal that uses City data and property information to navigate residents to tax foreclosure prevention, home repair, eviction prevention, and other assistance. And the City will be creating a centralized intake and client management system for housing services.

POTENTIAL IDEAS FOR ARPA USE

- Conduct a citywide property conditions survey to identify where residents or businesses may need repair assistance or where the municipality needs to focus on proactive property improvement.

- Update, standardize, and aggregate parcel data siloed in various government departments and purchase software to connect and map the data.

- Conduct a neighborhood market analysis to identify market conditions, pairing neighborhood stabilization strategies to each market.

- Create an early warning system for vacant properties that tracks early indicators of vacancy so properties can be swiftly secured or reused.

- Upgrade technology infrastructure like computers, servers, and internet service and support employee training to enable the use of more modern, efficient software.

- Invest in program evaluation services supporting public-facing reporting and enabling real-time adjustment of programs to better meet equity goals.

Learn More about the American Rescue Plan Act at **communityprogress.org/resources/arpa/**

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