



# Data Driven Housing Investment with the American Community Survey

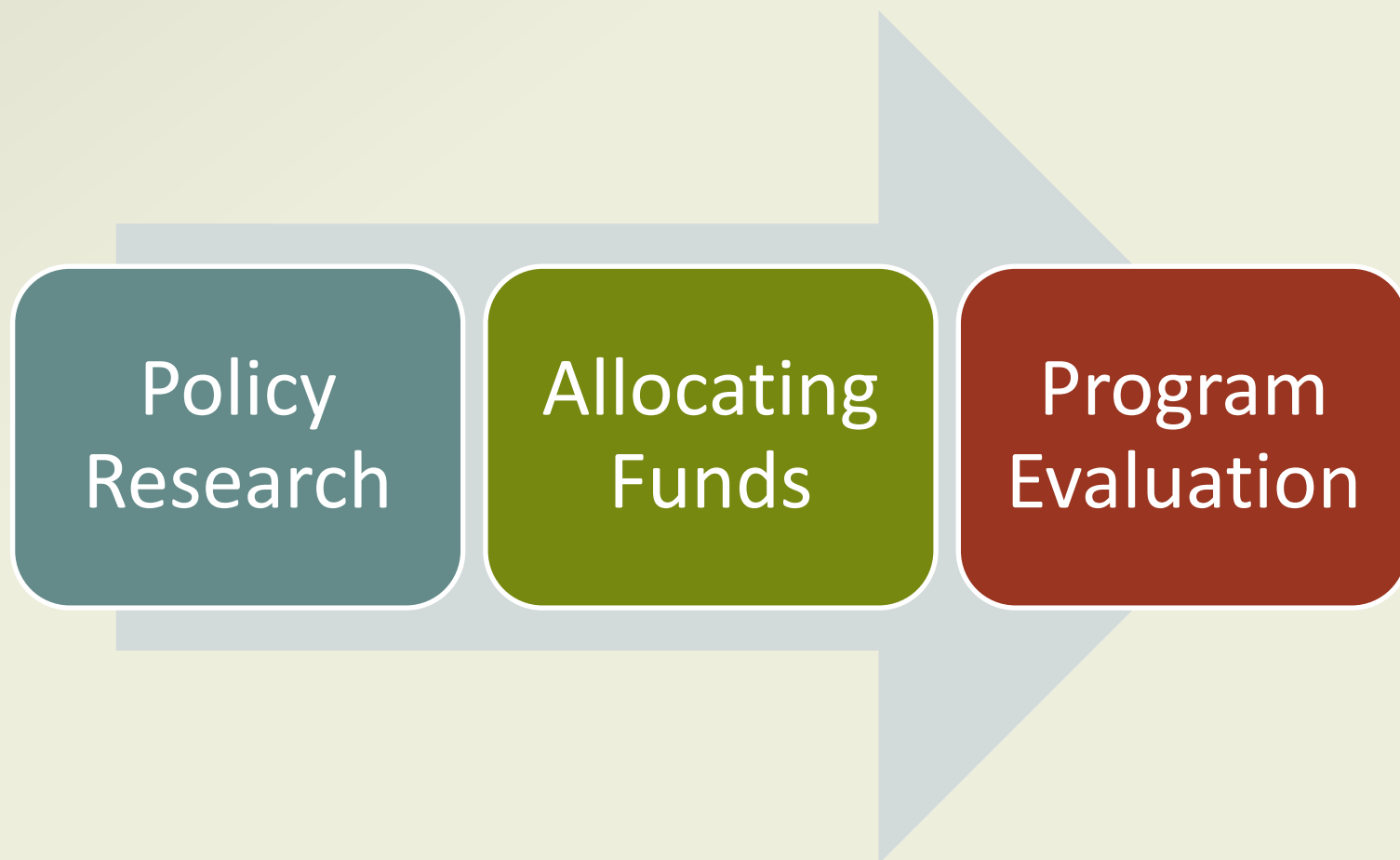
Jessica Deegan

ACS Users Group Meeting, May 2014

# Our Mission

*Minnesota Housing finances affordable housing for low- and moderate-income households while fostering strong communities.*

# Use of ACS for Targeting Housing Funding



American Community Survey

# RESEARCH INFORMING POLICY



## What is the need for affordable housing now?

*How will changing demographics affect that need in the future?*



## Where should investments be made?

*How should employment, transportation, and schools interrelate with housing investments?*

# Senior Housing

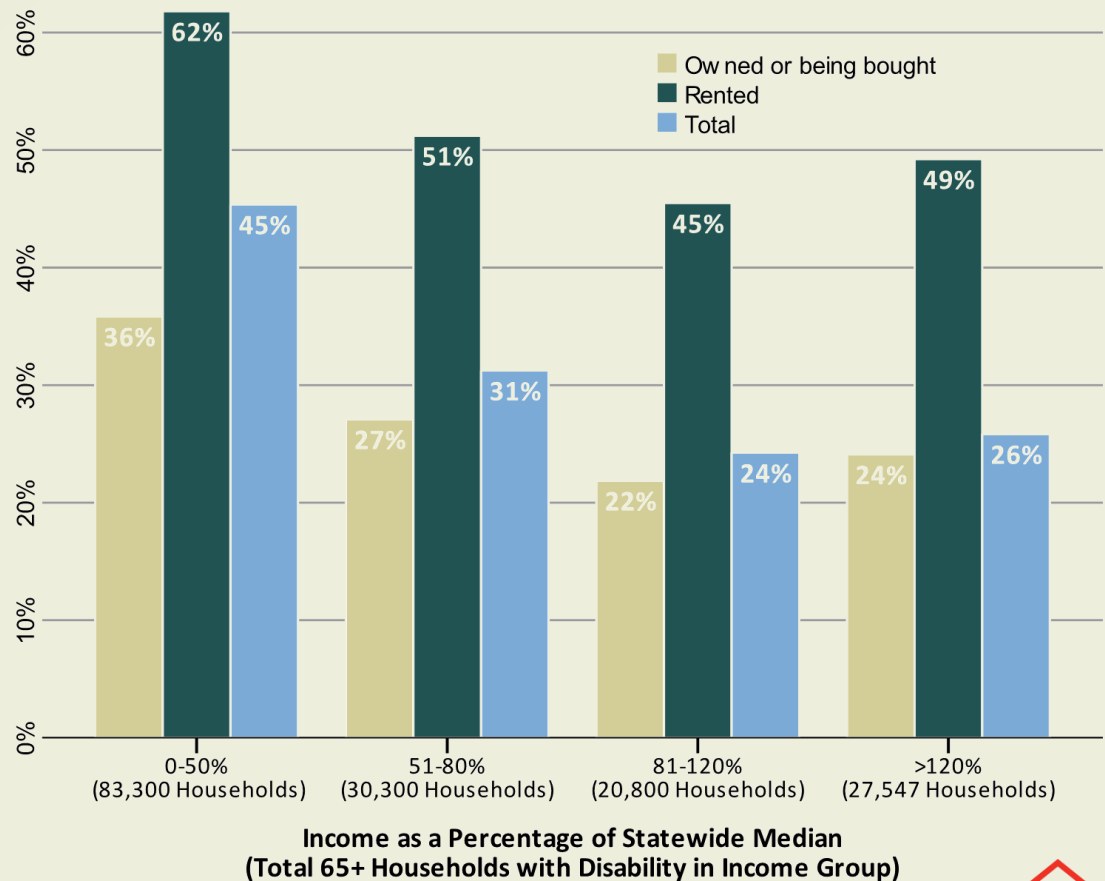
- **Project:**  
ACS summary and  
PUMS data used to  
evaluate trends in  
income, disability and  
cost burden among  
older Minnesotans



# Senior Housing Policy Findings

Households with a disability are older, poorer and disproportionately renters.

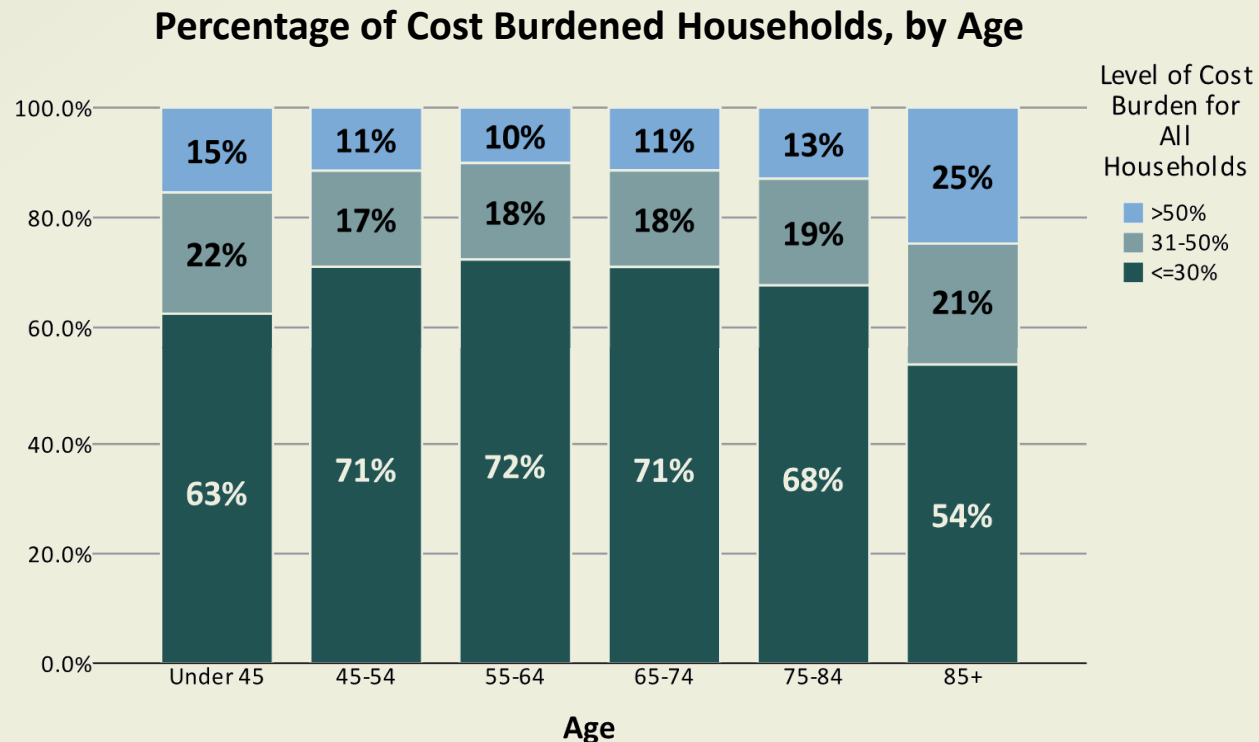
Percent of Households age 65 and Older with a Disability by Income and Tenure



US Census American Community Survey, PUMS, 2010.

# Senior Housing Policy Findings

Housing cost burden increases as households grow older.

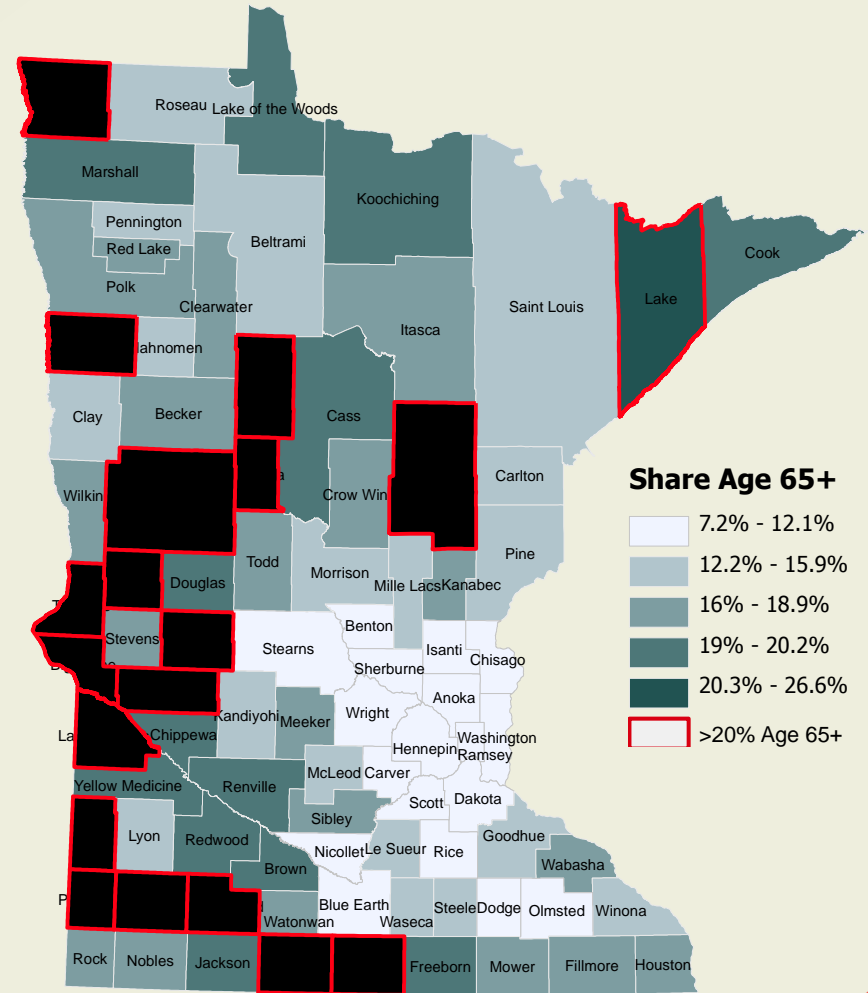


US Census American Community Survey, PUMS, 2010.



# Senior Housing Policy Findings

Rural counties have higher proportions of seniors aging in place.



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# FUNDING PRIORITIES FOR AFFORDABLE HOUSING

# Consolidated Annual Request for Proposals

- **Project:**  
Utilize ACS and other local and national data sources to prioritize highly competitive funding, including Low Income Housing Tax Credits.



# Published LIHTC Policy Objectives (geographically based)

## Economic Integration

- Moderate to high income areas close to job

## Access to Transportation

- Proximity to transit, hi frequency network, and bus service

## High Need Foreclosure Areas

- Areas with a high rate of foreclosure relative to the state

## Workforce Housing

- Cities with job growth (or top job communities) and 5 or 10 mile buffer

## Preservation

- Jobs & Household growth
- Cost Burdened Renters

## Qualified Census Tracts

- Designated for the purposes of the Low-Income Housing Tax Credit under Section 42 of the Internal Revenue Code of 1986.

# Community Profiles Tools

- **Include:**
  - 30 data layers to profile economic, demographic and housing characteristics of markets (census tract and county).
  - Overlay maps depicting the geographic priorities in the Housing QAP and annual consolidated Request for Proposals.

# Data Layers and Themes: Census Tract and County

## Economy and Workforce

- Total Jobs
- Change in Jobs 2005-2010
- Median Distance to Work
- Unemployment Rate

## Household Demographics

- **Age of Population**
- **Population from Communities of Color**
- **Total Households**
- **Change in Households**
- **Cost Burdened Households**
- **Median Income**
- Homeless Population
- **Poverty Rate**

## Rental Housing Market

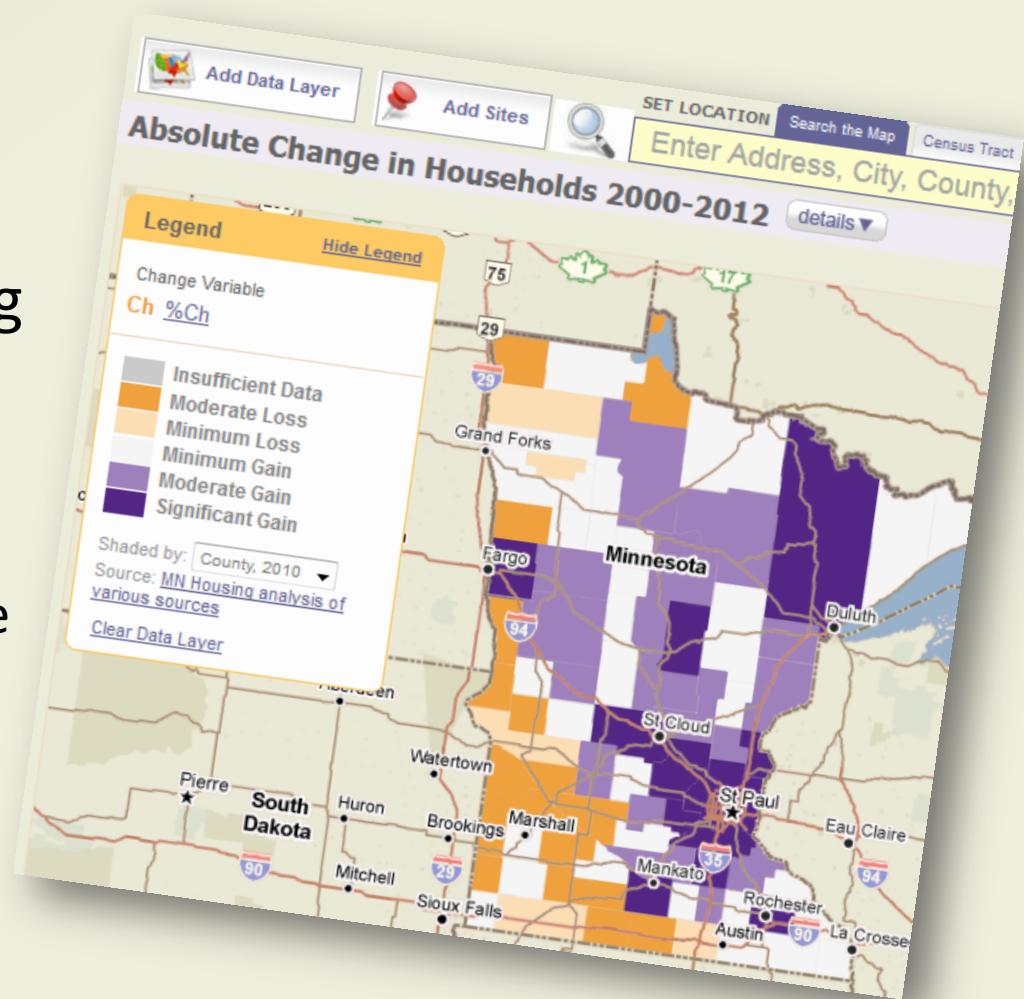
- **Median Rent**
- Subsidized Vacancy Rate
- **Age of Housing**
  - **Share built by year**
- **Number of rental units by size of structure**
- **Number of Rental Units by Bedroom Size**

## Homeowner Housing Market

- **Homeownership Costs**
- **Homeownership Rate**
- Foreclosures
- **Age of Housing**
  - **Share built by year**
- Home Sales Price
- Change in Home Sales Price

# A Common Dataset for Evaluating Funding Proposals

- Published externally using PolicyMap as vendor.
  - Applicants use tool to score projects against priority areas and evaluate housing markets
- Internal use by underwriters to validate scoring and market studies.



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# PROGRAM EVALUATION



# Evaluating the Neighborhood Stabilization Program

- **Project:**  
Evaluate of market impact of targeted funding towards foreclosure remediation using ACS and Housing Market Data from CoreLogic



# NSP Evaluation, Did Investment Improve Market Positions?

1. Create comparable control groups (non-treatment) areas that are similar in market.

2. Compare market changes between treatment and non-treatment areas.

## Data Used

- **Homeownership rate 2010 (ACS)**
- **Total Housing Units 2010 (ACS)**
- Foreclosure rate 2008 (CoreLogic)
- Sales Price 2008 (CoreLogic)
- Change in Median Sales Price 2006-2008 (CoreLogic)
- Change in Median Sales Price (CoreLogic)
- Change in Foreclosure Rate (CoreLogic)
- Change in Vacancy Rate (USPS/HUD)

# NSP Results: Comparison between Control and Treatment Groups

	All Areas		
Block Group Type	Change in Median Sales Price	Change in Foreclosure Rate	Change in Vacancy Rate
Control (Little or No NSP)	-12%	+6%	+62%
Treatment (Clustered NSP)	-3%	-32%	-20%
<b>All Groups</b>	<b>-8%</b>	<b>-14%</b>	<b>+20%</b>

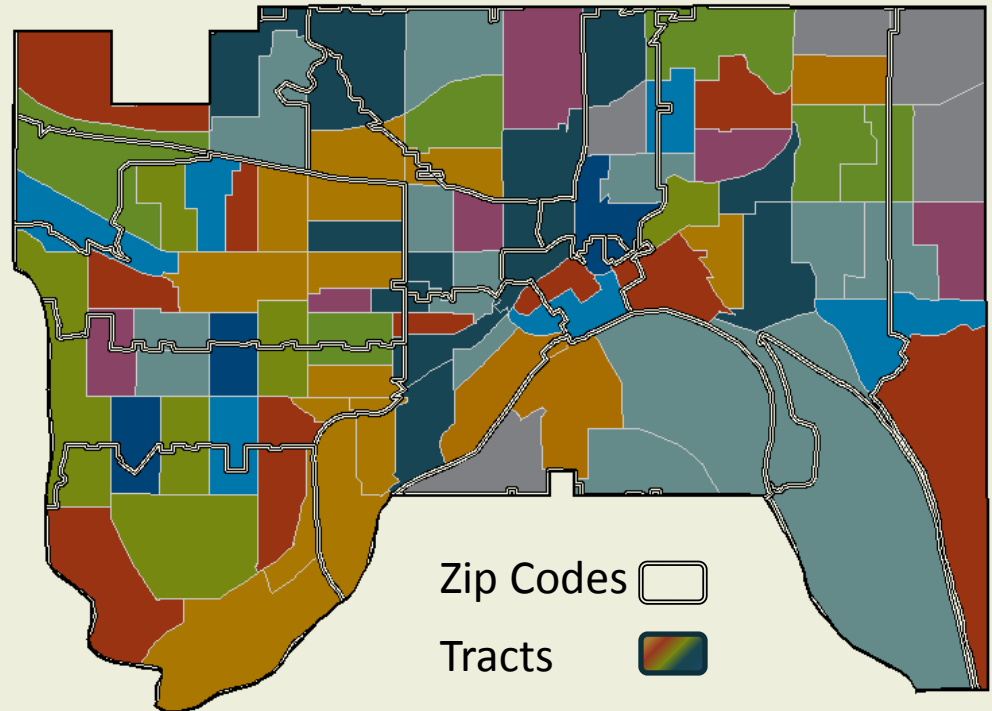
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# LESSONS LEARNED, TIPS & TRICKS

# Creating a Common Geography

## Zip to Tract Crosswalk

- HUD USPS Published
- Updated Quarterly
- Allocation method based on residential address



[http://www.huduser.org/portal/datasets/usps\\_crosswalk.html](http://www.huduser.org/portal/datasets/usps_crosswalk.html)

# Margins of Error in Small Geographies



*Coefficient of Variance  $\leq 30\%$*

- Census Tracts
- Medians and shares for broader population statistics



*Coefficient of Variance  $> 30\%$*

- Block Groups
- Complex cross tabs about sub populations

<http://www.census.gov/acs/www/Downloads/handbooks/ACSResearch.pdf>

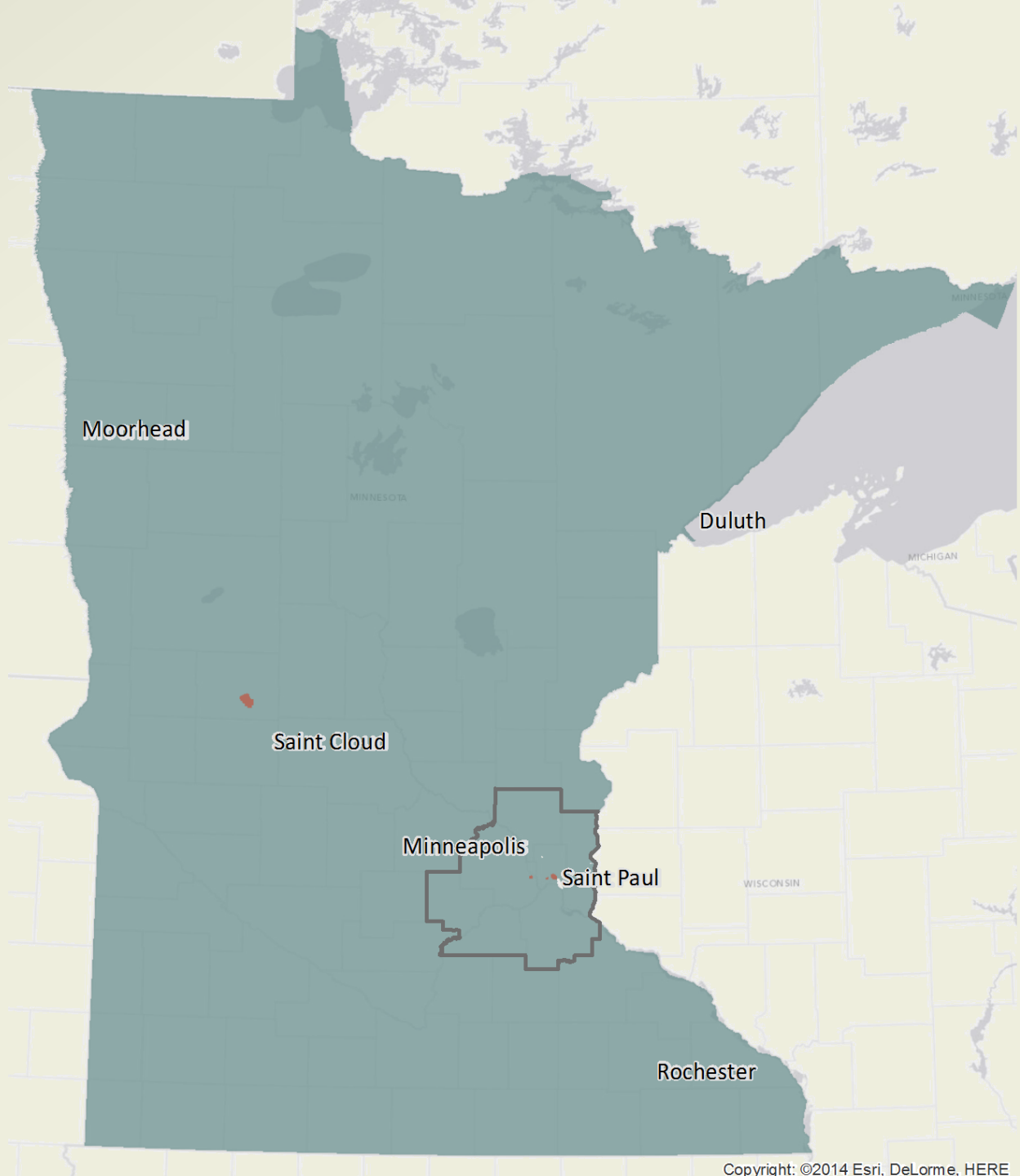
# Minnesota Tracts

## *Median Income*

CV>30



CV≤30



Source: ACS 2008-2012 Sample

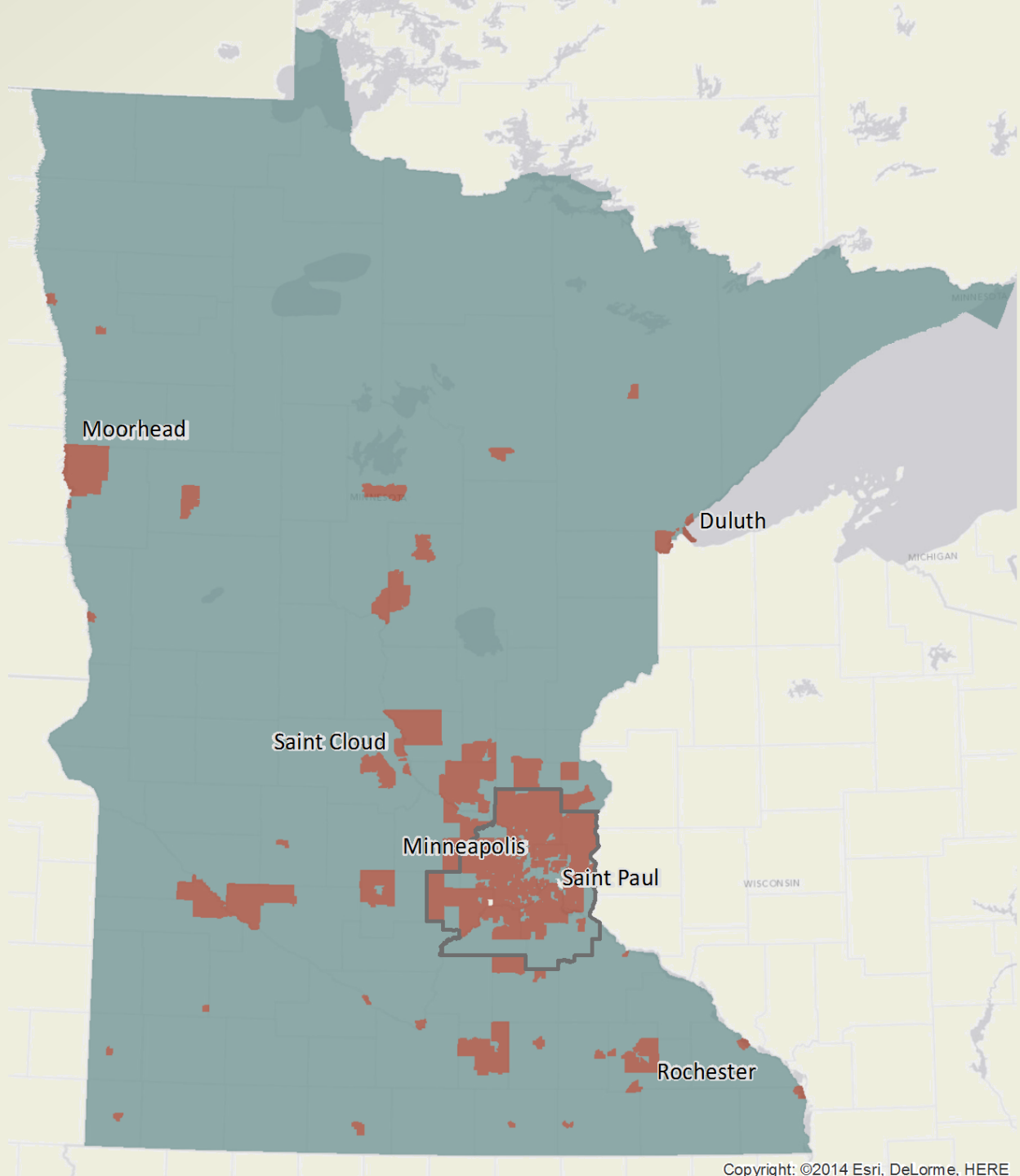
# Minnesota Tracts

## *Poverty Rate*

CV>30



CV≤30



Source: ACS 2008-2012 Sample





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# For More Information

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