Methods Brief

Introduction

The *Generational Wealth through Place-Based Entrepreneurship* project is a partnership between Reinvestment Fund, a nonprofit community development financial institution, the Build from Within Alliance (BfWA), an association of community development groups that provide opportunities to start and grow businesses for low-income individuals with a culturally competent, asset-based, entrepreneurship-focused, and place-based approach. The partnership also includes a collaboration with the University of Pennsylvania's Social Impact of the Arts Project (SIAP).

This work was generously supported by funding from the Ewing Marion Kauffman Foundation through a Kauffman Knowledge Challenge grant—a biannual funding program that supports research aimed at improving our basic understanding of entrepreneurs and the levers, tools and methods that can advance entrepreneurship in the United States.

The goal of this project was to understand the impact that small diverse businesses, started by local entrepreneurs, can have on community social wellbeing. The project was designed with a quantitative component, focused on analyzing and describing the place-based conditions in areas where BfWA members are working; and a qualitative component, focused on describing how entrepreneurs themselves understand their role in supporting place-based social wellbeing. The findings from this work will help inform the on-the-ground work of BfWA members that collectively support hundreds of entrepreneurs across 37 neighborhoods in cities around the country.

This methods brief describes both the quantitative data and analyses performed in each city as well as the qualitative effort and learnings. The first section describes how we analyzed BfWA activity in each city. The second section describes each of the analytic frameworks used in the analysis—how and why they were created, and the insights they provide. The third section describes some early findings about the relationships between BfWA activity and neighborhood trends. The fourth section includes a description of the qualitative work and some of the high-level learnings.

Measuring Place-Based Entrepreneurial Activity

To measure the level and location of entrepreneurial activity supported by the BfWA members, we worked with each city to collected data on the location of the businesses run by entrepreneurs who completed BfWA programs. These data were then geocoded and aggregated to a census block group – the same geographic unit of analysis used in all of our measures (i.e., SWI and its components, MVA and DRR).

The availability of data varied greatly among the 10 cities analyzed for this project. While longstanding members of the alliance, like those working in Minneapolis/St. Paul, had years of data on the locations of businesses that had completed their training programs or participated in technical assistance, others, such as those working in Philadelphia, had only just finished training their first cohort of entrepreneurs. Additionally, while most of the businesses in cities like Detroit or Wilmington were brick-and-mortar retail, a larger number of businesses supported by alliance members in cities like Miami and Philadelphia did not have a fixed address, because their business was virtual or mobile (i.e., street vending, food trucks), or entrepreneurs were still looking for permanent space.

As a result, the type of data analyzed to understand where entrepreneurs were working varied by city. In cities with more mature programs, like Detroit, Minneapolis/St. Paul, and Wilmington, we analyzed data on the location of actual businesses supported by BfWA members. In cities with new programs or cities with less robust data, we collected information on where entrepreneurs participating in BfWA programs were living (BfWA members reported that most of their entrepreneurs were hoping to start their businesses in their home communities). Additionally, while most cities were able to share address level information, in Philadelphia the Alliance member was only able to share home zip codes for program participants.

After collecting and cleaning these data, we geocoded each business or property address. Because the goal of our project was to understand conditions in areas around BfWA member activity, we worked with the alliance to develop a definition of a "business cluster," a group of supported businesses located in close proximity where we would expect the impact of BfWA activity to be the greatest. Our definition of a business cluster included any area where at least three BfWA-supported businesses were located within quarter of a mile of each other. The distance of a quarter mile was chosen in consultation with members of the alliance to approximate typical business catchments as well as the typical distance they felt customers would be willing to walk. Using this definition, we identified every block group in each city that contained a BfWA business cluster.

The table below describes the number of business locations analyzed in each city and the number and proportion of businesses located in clusters.

Figure 1: Summary of BfWA Supported Business Activity

Alliance Member	Data Used	Total Businesses	Clusters with 3+ Businesses	Share of Businesses in a Cluster
Anchorage	Business Locations, 2022	73	5	51%
Detroit	Business Locations, 2021	159	8	18%
Miami	Home Locations, 2021	94	1	57%
Minneapolis & St. Paul	Business Locations, 2021	624	33	51%
Philadelphia	Zip codes of businesses, 2021	15	0	0%
St. Cloud	Business Locations, 2022	161	7	62%
Syracuse	Business Locations, 2022	148	8	36%
Wilmington	Business Locations, 2020	100	2	97%

Quantifying Place-Based Conditions in Alliance-Served Communities

The quantitative component of this project was guided by three different analytic frameworks. Each framework was intended to quantitatively describe the connections between a place-based dimension of wellbeing and BfWA alliance member activity with entrepreneurs:

- **Market Value Analysis (MVA)** is a tool that helps residents and policy makers identify and understand the level of vitality in their local real estate markets.
- **Social Wellbeing Index (SWI)** is a multi-dimensional measure that synthesizes multiple discrete measures (e.g., public health, economic welfare, social integration) to evaluate the welfare of a neighborhood.
- **Displacement Risk Ratio (DRR)** is a measure of residential displacement pressure that identifies where the economic profile of households that can afford to live in an area has changed.

The following section provides more information about purpose of each analytic tool and how it was created.

Market Value Analysis

The Market Value Analysis (MVA) is an analytic tool to guide community revitalization and investment efforts. At its core the MVA is an index that describes an area's residential real estate market. The MVA is performed on all of the census block groups within a community, generating insight into the variation in market strength and weakness within and between traditional neighborhood boundaries.[1]

The original design of the MVA was predicated on the concept that neighborhood stabilization and improvement should focus on identifying and leveraging nodes of strength. Neighborhoods (and sub-neighborhood areas) generally have an array of conditions, opportunities, and challenges. Historically, neighborhood investments, when they were targeted at all, were focused on the poorest and most blighted places, without a real theory about how specific investment could be positively transformative for a specific place. As a result, the outcomes of neighborhood investments have been generally less than ideal.

Building from strength, as we call it, starts from the premise that interventions have a greater likelihood of success if they connect to existing assets and nodes of strength in challenged areas. These nodes of strength can be a variety of things, such as: a strong local community-based organization; a vibrant commercial corridor; a confluence of public transportation that can take residents to jobs; natural resources or parks; adjacency to a strong and vibrant real estate market. Tools like the MVA, help stakeholders identify and invest into these nodes of strength by providing data about conditions, assets, and challenges.

Since 2001, Reinvestment Fund has created over 40 MVAs for municipalities, counties and cities, regions, and states. Government, philanthropic and private investors use information from the MVA to better design programs or target interventions to stimulate private market activity and capitalize on larger revitalization efforts.[2]

To create an MVA, we begin by collecting, geocoding, and analyzing data on the physical conditions of residential property within each census block group in a community. The analysis typically relies on administrative records and local datasets. Because the availability of data varies by city, each analysis is unique, however, data in every community typically includes the following indicators and characteristics:

[1] A census block group is a geographic designation representing an area that is typically about one-fifth the size of a census tract.
[2] To learn more about the MVA and how cities use the tool, See: https://www.reinvestment.com/initiatives/market-value-analysis/

Figure 2: Common Types of Indicators Used in a Market Value Analysis

Property Value and Investment	Distress and Vacancy	Neighborhood and Housing Characteristics
• Home sales prices • Construction and renovation activity	• Housing conditions • Foreclosure activity • Housing vacancy	• Resident tenure • Presence of subsidized rental housing

Once the data has been assembled, geocoded, validated, and analyzed we use a statistical technique known as cluster analysis to complete the MVA.[3] A cluster analysis identifies groups of observations (in this case block groups) that have similar characteristics as measured by the descriptors, noted above. The goal in this stage of the analysis is to form distinct clusters of block groups which are very similar to one another within each cluster, but very different from block groups in other clusters.[4]

Using this technique, the MVA condenses vast amounts of data for the universe of all residential properties across all of a community's block groups to a manageable, meaningful typology of market types that can inform area-appropriate programs and decisions regarding the investment of resources and allocation of programmatic activities.

For this project, the goal of the MVA analysis was to help BfWA members understand the types of residential neighborhoods their entrepreneurs were working in. The information from the MVA helps identify other similar neighborhoods in their city, but also describes the strengths, challenges, and opportunities in areas surrounding BfWA activity.

Figure 3 below shows the nine housing market types identified in the Philadelphia MVA. For a complete listing of indicators used in each city, see Appendix A.

[3] Validation in the typical MVA is accomplished through fieldwork through which MVA component data and the MVA itself, are inspected in granular detail by visiting the site of the analysis. It is also accomplished by vetting the data and results with local subject matter experts. In this project, owing to financial constraints and the COVID-19 pandemic, validation in some cities had to be accomplished remotely and through stakeholder review; in other instances (e.g., Philadelphia, Houston, Wilmington) field validation was possible.
[4] Depending upon the size and complexity of a community's real estate market, MVA results can generate between five to eleven distinct market types.

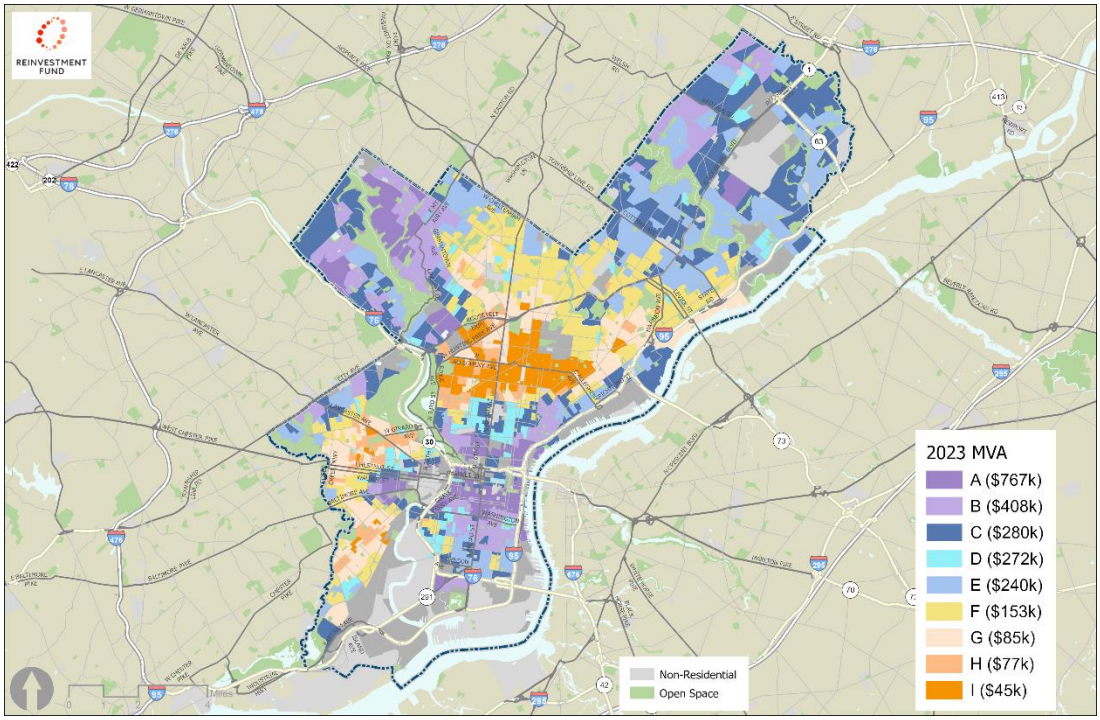

Figure 3 Philadelphia MVA

Social Wellbeing Index

Historically, studies of community wellbeing have focused largely on economic measures like income, GDP, or poverty. The Social Wellbeing Index (SWI) recognizes there are multiple facets of individuals' lives that collectively inform the capacity of those individuals—and their communities—to live (or support) *a good life* once they are securely included in society. In this project, we measured these non-economic aspects of community life using a set of quantitative indicators that describe wellbeing at a census block group level.

While there are many approaches to evaluating wellbeing, the SWI uses a 'capabilities approach' that focuses on opportunity and access to resources rather than a subjective self-assessment.[5] The analysis employed herein was developed by researchers at the University of Pennsylvania's Social Impact of the Arts Project (SIAP), and has been used to study neighborhood change, the impact of arts and culture on neighborhood vitality, and cultural ecosystems.[6]

The SWI analysis begins by measuring the place-based conditions across six wellbeing domains: *institutional connection*, *economic wellbeing*, *health outcomes*, *housing security*, *racial/ethnic diversity,* and *economic inclusion*. Because these domains are not directly observable–that is, they are more in the realm of conceptual–multiple observable quantitative measures are combined into an index describing each domain.

[5] Andrews, F., and Withey, S. (1976). *Social indicators of well-being.* New York: Plenum Press; Keyes, C. L. M. (1998). Social well-being. Social Psychology Quarterly, 61, 121-140; Putnam, R. (2000). *Bowling Alone: The collapse and revival of American community*. New York: Simon and Schuster; Farmer, J., De Cotta, T., McKinnon, K., Barraket, J., Munoz, S.A., Douglas, H. and Roy, M.J. (2016). Social enterprise and wellbeing in community life. Social Enterprise Journal, 12(2), 235-254.

[6] For more information, see: https://repository.upenn.edu/siap/

The combination of observable measures into indices was accomplished with a statistical factor analysis for each group of indicators, following the methodology outline in Stern and Seifert, 2017.[7] The table below, describes each of the six SWI dimensions and the component indicators that comprise each index.

Figure 4: Dimensions of Social Wellbeing Measured by the SWI and Component Indicators

Dimension	Description	Indicators	
Institutional Connection	A community's proximity to social, cultural, and artistic institutions.	• Philanthropic Non-profits Within a Half Mile • Education Non-profits Within a Half Mile • Health Non-profits Within a Half Mile • Housing Non-profits Within a Half Mile • Arts and Culture Non-profits Within a Half Mile	• Arts Employment • Religious Non-profits Within a Half Mile • Total Non-profits Within a Half Mile
Economic Wellbeing	Residents' level of financial security and economic opportunity.	• Adults with High School Diploma • Adults with BA or Higher Degree • Population with Investment or Dividend Income • Median Household Income	• Labor Force Participation • Civilian Employment • People in Poverty • Families Earning Less than 200% Poverty Rate
Health Outcomes	Population outcomes related to the physical and mental health of residents.	• Population With Insurance • Population With High Blood Pressure • Population Experiencing Fair or Poor Health	• Physically Inactive Adults • Percent Obese • Population With Diabetes
Housing Security	The affordability of housing costs for the community's residents.	• Cost Burdened Owners • Extremely Cost Burdened Owners • Cost Burdened Renters • Extremely Cost Burdened Renters • Owners with Mortgages Spending Over 30% Income on Housing • Owners with Mortgages Spending Over 50% Income on Housing	• Median Owner Housing Cost as a Share of Income • Median Owner Housing Cost as a Share of Income Among Those With Mortgages
Racial Ethnic Diversity	The level of racial and ethnic integration or segregation within a community.	• Simpsons Diversity Index	• Share of Population Not In Predominate Racial/Ethnic Group
Economic Inclusion	The level of economic integration or isolation within a community.	• Simpsons Diversity Index on Income	• Gini Coefficient

Note: See Appendix C for a complete list of data sources for each indicator.

In an effort to synthesize the multiple dimensions of wellbeing into an overall understanding of "wellbeing", we applied a cluster analysis to the six wellbeing indices. The cluster analysis identifies areas with similar values across each index.[8] This combination yielded a unique typology of neighborhoods within each of the 10 cities

[7] For more information see: Mark J Stern and Susan C. Seifert (2017) "The Social Wellbeing of New York City's Neighborhoods: The Contribution of Culture and the Arts." SIAP Report. Available: https://repository.upenn.edu/server/api/core/bitstreams/d7531a8f-f046-497f-aa37-494486d98cf4/content

[8] The goal is to identify clusters of block groups within which there is a high degree of similarity while maximizing the differences among the clusters.

that describe how areas fare across multiple dimensions. Figure 5, below, shows the SWI derived neighborhood types for Miami.

The combination of the neighborhood typology and underlying indices provides BfWA members with a deeper understanding of the social and economic conditions in their communities. By quantifying the level of economic opportunity, community health, and racial/ethnic diversity at a block group level, members are able to better understand the challenges and opportunities facing the residents and entrepreneurs they serve and how those conditions compare with other neighborhoods or communities in their region.

See Appendix B for a complete list of SWI neighborhood types and descriptions for each city.

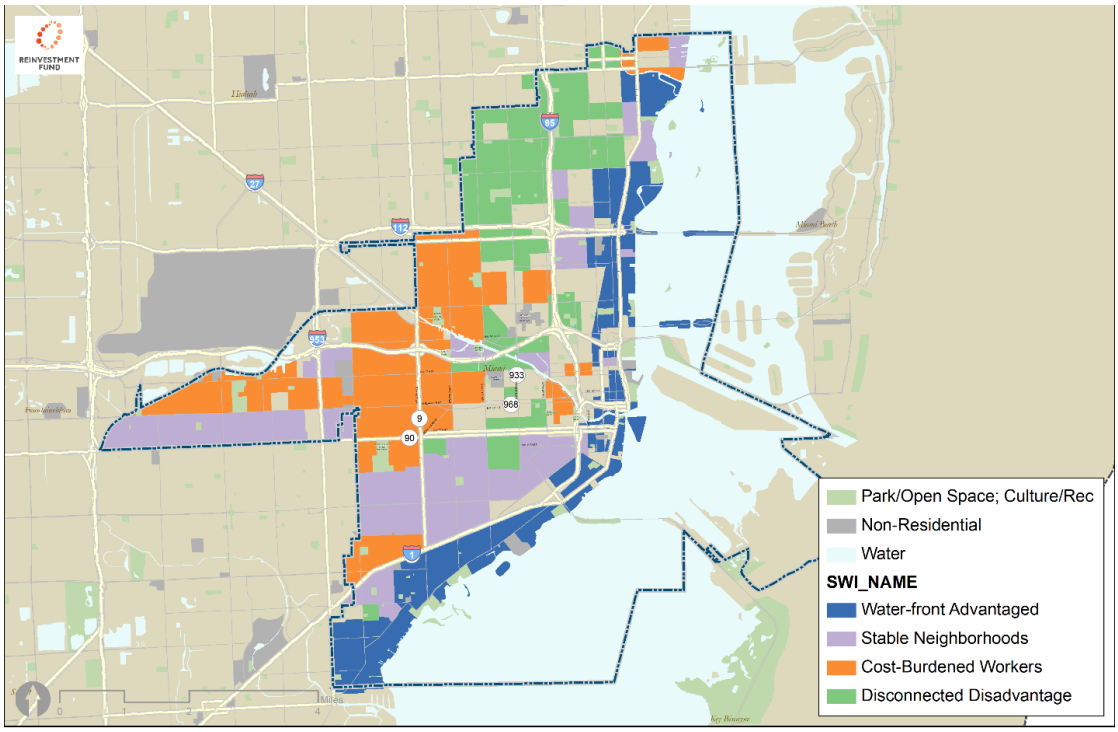

Figure 5 Social Wellbeing Index, Miami

Displacement Risk Ratio

The final analytic is the Displacement Risk Ratio (DRR). The DRR is designed to measure changes in the level of housing affordability and economic displacement pressure in the residential market over time.

The DRR is calculated as the ratio of an area's median sales price in an initial period to the median family income in the same area at same period. These ratios are computed for two-year periods. However, family incomes are adjusted only for inflation using the consumer price index; we do not include new income data because that new data would be reflective of new residents. Ratios for individual block groups are differenced from the municipal average ratio to account for area-wide trends.

The metric captures whether the typical household living in an area at the outset of the analysis (2010) could afford to buy a home in the same area at a later time; or, whether households with incomes similar to those long-term residents could now afford to purchase in that area. By comparing the income of long-term residents with changes in home prices, the DRR seeks to estimate the degree to which *involuntary* economic displacement

exists within a neighborhood. Involuntary economic displacement is understood as a phenomenon where households are forced to leave their homes and neighborhoods due to economic circumstances beyond their control such as rapidly rising taxes, rent increases, or the conversion of rental property into owner-occupied stock.

In areas with high positive (and rising) DRR values, longtime residents, or new residents with incomes like those of legacy residents, may be experiencing displacement pressure associated with elevated housing prices. A score over 3.0 in any period is considered unaffordable, and a negative value, which can result from the index's adjustment for municipal price trends, while indicating relative affordability, also signals the potential for a different kind of displacement – that which is due to the adverse consequences of neighborhood disinvestment.

For this study, we used DRR values to understand the level of affordability and price pressure faced by communities. Where possible we sought to measure how DRR values were changing over time, to give alliance members a perspective on how price and displacement pressures were increasing or abating.

Figure 6, below, shows the change in DRR values between 2014/15 and 2019/20 for Minneapolis/St. Paul. Darker red areas on the map represent places where home prices have risen much faster than resident incomes, threatening affordability and residential stability. Areas shaded in darker blues represent lagging markets, where prices have not kept pace with other parts of the city. These areas may be threatened with a loss of value.

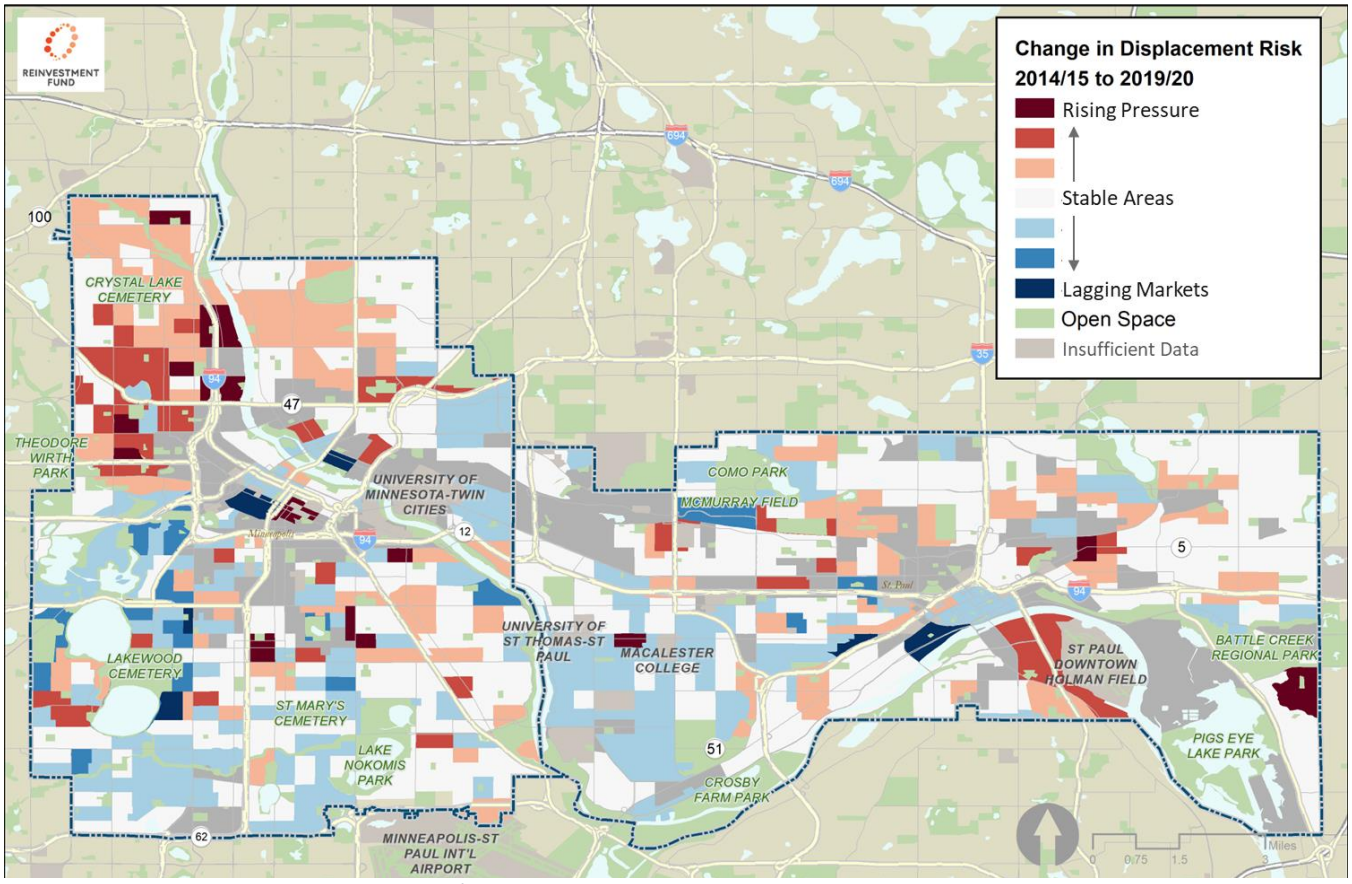

Figure 6 Displacement Risk Ratio, Minneapolis/St. Paul

Exploring Connections Between Neighborhood Change and Entrepreneurial Activity

Although the goal of this project was only to describe the conditions in communities where BfWA members are working, the identification of geographic business clusters and the data in the DRR allow us to compare neighborhood trends around clusters of BfWA activity and compare it to trends in other areas without BfWA activity. Our logic is that if we can find places with and without BfWA activity that differ "only" by the presence of that activity, if there is a difference in how the areas trend, arguably, BfWA activity contributed to that change. The results of this analysis suggest that, in those places where we have sufficient data to measure changes, ***areas around BfWA activity are on a more stable trajectory than other areas without BfWA activity***.

For each block group with clustered BfWA activity we identified three comparison areas that had similar home prices and DRR scores in 2014-2015, but did not have any BfWA businesses. To ensure comparison areas were similar to the block groups with clustered BfWA activity, we only matched block groups if their starting home prices and DRR values were within 25% of their comparison areas. This matching process resulted in the average block group with clustered BfWA activity within 4% of its comparison areas' starting DRR values and 1% of its comparisons' starting median sales price. Finally, we compared DRR trends in block groups with clustered BfWA activity to each of their comparison areas.

Due to data limitations, we were only able to complete this analysis in the three cities where there was substantial documented BfWA business activity and robust housing price data: Minneapolis/St Paul, Wilmington, and Detroit. In each city, we were able to identify three comparison areas for just under half of the block groups with clustered BfWA activity.

The table below summarizes the characteristics of block groups with clustered BfWA activity and their comparison areas.

Figure 7: Characteristics of Block Groups with Clustered BfWA Activity and Comparison Areas

	Wilmington, DE	Detroit, MI	Minneapolis/St Paul, MN
Total Block Groups with Clustered Activity	26	24	140
Block Groups with Clustered Activity and 3 Comparison Areas	11	11	58
Average Starting Median Sales Price in Block Groups with Clustered Activity	$41,456	$14,449	$174,842
Average Starting Median Sales Price in Comparison Areas	$40,212	$13,862	$180,448
Average Starting DRR Score in Block Groups with Clustered Activity	-1.24	0.09	-0.18
Average Starting DRR Score in Comparison Areas	-1.26	0.09	-0.19

The DRR evaluates changes in housing affordability for long-term residents over time. Areas with high DRR values or areas where DRR values are rising rapidly are experiencing rapid price appreciation that can increase the risk

of displacement for long-term residents. Areas with low or declining DRR values are experiencing a loss of value or disinvestment, which presents a different risk for long-term residents.

The results of the analysis suggest that in struggling neighborhoods (i.e., those that started off with low DRR scores), BfWA activity is associated with greater stabilization. In hotter markets (i.e., those that started off with higher DRR values), BfWA activity is associated with fewer affordability challenges.

For example, in Wilmington, DE, all of the analyzed areas with clustered BfWA activity had starting DRR scores below the city average, suggesting affordable housing prices, but also the potential for disinvestment and a loss of value. Most areas in Wilmington saw a decline in DRR scores over the study period, but many areas with concentrated BfWA activity saw smaller declines. Sixty-four percent of the studied block groups with clustered BfWA activity in Wilmington had smaller declines or more growth than at least two of their comparison areas.

Figure 8: Summary of Changes in DRR in Block Groups with Clustered BfWA Activity vs Comparison Areas in Wilmington, DE

	Starting DRR < -0.5	Starting DRR Between -0.5 and 0.0	Starting DRR Between 0.0 and +0.5	Starting DRR > +0.5
Outperformed 0 Comparisons	1	0	0	0
Outperformed 1 Comparison	3	0	0	0
Outperformed 2 Comparisons	6	0	0	0
Outperformed 3 Comparisons	1	0	0	0
Total	11	0	0	0

In Detroit, most of the analyzed areas started off with DRR scores close to the city average. Over the study period, nearly two-thirds (64%) of the analyzed Detroit block groups with clustered BfWA activity saw greater DRR growth than two or more of their comparison areas. At the end of the study period areas with clustered BfWA activity had seen modest price growth but were still affordable, while similar areas without BfWA activity had seen a loss of value or had not kept up with the rest of the city.

Figure 9: Summary of Changes in DRR in Block Groups with Clustered BfWA Activity vs Comparison Areas in Detroit, MI

	Starting DRR < -0.5	Starting DRR Between -0.5 and 0.0	Starting DRR Between 0.0 and +0.5	Starting DRR > +0.5
Outperformed 0 Comparisons	0	0	2	0
Outperformed 1 Comparison	0	1	1	0
Outperformed 2 Comparisons	0	0	0	0
Outperformed 3 Comparisons	0	2	5	0
Total	0	3	8	0

In Minneapolis/St. Paul, the areas with concentrated BfWA activity were located in a larger range of block groups. Twenty-one block groups were located in areas that were similar to Wilmington, with starting DRR values below the city average. Like in Wilmington, most of these areas (66%) saw greater DRR growth than two or more of their comparison areas, showing greater stability and price growth while remaining largely affordable.

A smaller number of block groups were in hotter housing markets, where DRR values were above the city average and affordability for long-term residents was a concern. Among these areas, only 17% of block groups with concentrated BfWA activity saw greater DRR growth than their comparison areas, meaning they remained more affordable while other similar areas were becoming less affordable for long-term residents.

Figure 10: Summary of Changes in DRR in Block Groups with Clustered BfWA Activity vs Comparison Areas in Minneapolis/St. Paul, MN

	Starting DRR < -0.5	Starting DRR Between -0.5 and 0.0	Starting DRR Between 0.0 and +0.5	Starting DRR > +0.5
Outperformed 0 Comparisons	1	5	2	7
Outperformed 1 Comparison	5	2	1	3
Outperformed 2 Comparisons	8	5	2	0
Outperformed 3 Comparisons	7	5	3	2
Total	21	17	8	12

Taken together, these results suggest that in struggling neighborhoods, BfWA activity is helping to build assets that support modest prices and set neighborhoods on a more stable trajectory without creating more burdensome affordability for residents. In areas where affordability was already a concern, areas with concentrated BfWA activity are not seeing as much price appreciation as other similar areas, and the activity of BfWA members is not contributing to a loss of affordability.

Qualitative Perspectives on the Place-Based Impacts of Entrepreneurship

In addition to a quantitative analysis, the project included a qualitative component. Alliance members and individual entrepreneurs who had worked with the alliance participated in several interviews (and group interviews) as well as focus groups designed to gather feedback on the research and inform our project deliverables.

Our first set of qualitative data collection took place over the course of the project as we were working to complete the quantitative analyses. While completing the analyses, the research team held over 20 meetings with the Alliance members from the nine communities covered by our research. These conversations were used to identify important local data sources, discuss methodological issues, and review early findings. They also provided an informal "gut check" to ensure that the results of the analysis reflected the actual conditions in each city.

In addition to these periodic check-ins, the project team also scheduled more formal focus groups that brought together Alliance partners from multiple cities to explore how their organizations used data to further their work. A similar set of focus groups were conducted with individual entrepreneurs to learn more about how they understood their impact on the communities they served.

This section describes the themes that emerged from our focus groups.

Alliance Members and the Use of Data

In November 2022, as we were finalizing the quantitative portion of the project, we held two focus groups (FG) with a total of twelve representatives from organizations that make up the BfWA. The FGs were an opportunity to share preliminary results with Alliance members and hear directly from members about how they used data, how our results could help improve their work, and the best formats and venues to share our findings.

The most common ways that focus group participants used data was to inform outreach to local leaders and funders to influence policy and build support for their work. Alliance members offered that the analyses we shared with them helped provide a language to describe the impact of their work that went beyond counting outputs like jobs created or retail square footage occupied. One participant noted that while traditional economic outputs are important, they're often meager when compared with the other economic development tools cities have in their arsenal, like encouraging business relocations or attracting new employers. To be persuasive, this member believed the Alliance needed to highlight the ways that their work created jobs and built wealth, but also lead to the development community assets, revitalized commercial spaces, and supported the wholistic wellbeing of the communities they serve. Systematically measuring, mapping, and reporting on community wellbeing helped members present the complex, data-based story of their work.

All the organizations that participated in our FGs could speak knowledgeably about the communities they were serving but participants told us that the data in our analyses provided a new way to quantify the conditions or trends they knew about through lived experiences. Organizations with a higher level of quantitative expertise were excited about the geographic precision of the data, which allowed them to describe conditions in neighborhoods and sub-neighborhoods across their service areas.

One participant noted that the neighborhoods where their entrepreneurs work are often overlooked or misunderstood by local leaders and funders. While many organizations have access to citywide data, the neighborhood-level (or sub-neighborhood level) data that was created for this project, allowed them to better describe the challenges in their target neighborhoods. Others described how these findings could help establish

their credibility with local leaders and funders, by allowing them to speak more confidently about trends and differences within the communities they served: helping to dispel myths and hopefully pointing to progress and changes because of their work.

Participants offered several recommendations for sharing our findings. When asked to describe how they envisioned using the data from this project, many described picking out individual maps, graphics, and data points to share as part of communication tools like policy briefs and community presentations. To facilitate this kind of reuse, they recommended writing clear and concise descriptions of our methods that could be copied and pasted into other documents. They also asked for a delivery format that would make creating and sharing maps from our analyses easy for staff without a GIS or data analysis background.

This feedback led directly to our creation of the project website, an ESRI-StoryMap, that allows users to view results from individual cities and manipulate data visualizations to create custom maps. The data on the website are supplemented with short descriptions of the findings, data sources, and methods, that are appropriate for reusing in other documents.

In addition to informing better communication tools, participants also described using the data in our analysis to plan and target future expansion. Some of the participants noted that the communities they were working in had grown organically out of the organization's existing relationships. They believed that the analyses created for the project could help them identify other neighborhoods with similar conditions, where they could target outreach for future growth.

Participants noted that measures of community wellbeing would be most useful when combined with stories of individual entrepreneurs and residents. While metrics about community challenges and opportunities provide helpful context, stories of individual businesses owners and their work have historically been most valuable, especially in their efforts around policy advocacy and fundraising.

Entrepreneurs' Perspective on Place-Based Impacts

In February 2023, we held two focus groups for entrepreneurs that had participated in training and technical assistance provided by the BfWA. The FGs had a total of 18 participants. The entrepreneurs that participated in these sessions spoke about their roles as community leaders, and they ways that they hoped their businesses could impact their community, however they defined it.

Although none of the FG participants were thinking specifically about their businesses' impact on the quantitative metrics developed for this project, they believed that their success as a business would also benefit their community. Many of the entrepreneurs saw community building as part of their DNA. One participant noted that the role of a business is to understand what a community needs and supply it. In that way, many of the businesses supported by the Alliance are already thinking deeply about the communities they serve.

FG participants shared a common belief that in addition to economic or financial outcomes, the success of their businesses would positively impact their community by raising their visibility and improving the perceptions of their community. The way that entrepreneurs articulated these beliefs varied in important ways based on what kind of neighborhood they were located in.

Business owners located in marginalized areas spoke about how, if their business was successful, it could help improve the perception of their neighborhoods and even change the physical conditions around their stores. One entrepreneur from Syracuse identified her business as being located in a "rougher neighborhood" that she perceived to be overlooked and undervalued by other residents. She felt strongly that if her business was

successful, it could help revitalize the area by changing perceptions and proving to the community that they were valued and deserved more. Another entrepreneur described how a successful business in her community would be a symbol for residents and reenforce that despite their challenges, their community had value.

Entrepreneurs also described several concrete ways that they were working to improve the conditions around their stores. Business owners working in marginalized communities in Philadelphia, for example, described how they had worked to beautify their blocks by cleaning the street or painting a mural to make their neighborhoods feel safer for both residents and customers. In both cases, entrepreneurs set out with the intentional goal of bettering the physical places where they were located.

In other cases, Alliance-supported entrepreneurs were themselves residents of a marginalized community but owned a business in a stronger neighborhood. One FG participant who identified as a Black Woman, owned a beauty supply store in a predominantly White neighborhood along one of the more developed commercial corridors in her city. Starting her business in this location was an intentional choice, and the entrepreneur spoke about how she wanted to show other Black women they were welcome anywhere that they wanted to be. In the words of another participant who had a similarly located businesses, they saw their work as "planting a flag" in spaces that "people like them" had historically been excluded from. In these cases, the visibility of their work was changing perceptions for a social community, rather than a geographic one.

Regardless of what kind of neighborhood they were working in, entrepreneurs believed that if their business was successful, it would improve the perception and the visibility of their community, whether that community was defined geographically or demographically.

While none of the entrepreneurs in our focus groups spoke directly about the metrics we were creating to evaluate place-based wellbeing, the business leaders who work with the Alliance are thinking about their communities in ways that go beyond counting customers and sales. They see their work as part of an effort to generate wealth and create community assets that will improve their lives and the lives of their community – in other words, *community wellbeing*.

Conclusion

Together the three analytics created for this project provide a multi-faceted toolbox for understanding the BfWA communities, and particularly, where BfWA members and their entrepreneurs are working. The MVA provides a snapshot of the housing market. The DRR extends the snapshot to signal where housing markets are getting stronger or weaker relative to other parts of the city. Finally, the SWI adds a lens that sees beyond economic conditions to identify neighborhood strengths and weaknesses in health, institutional connection, economic inclusion and security, and diversity. Since all three analytics use the census block group as their shared geography, when used together they provide a fuller understanding of an area's characteristics.

A key component of the BfWA mission is to revitalize communities that have experienced systematic disinvestment by expanding the community resources and opportunities required to support low-income resident entrepreneurs. The data gathered for this project can help shine a light on the conditions in communities where BfWA members are working—illuminating the challenges facing residents and entrepreneurs as well as the assets and opportunities that are often overlooked.

Although this work was largely exploratory, we hope the analyses and measures developed here can be expanded to better understand the ways that place-based support for low-income entrepreneurs, and entrepreneurs of color, start to shape and are shaped by the communities in which they are situated. Bringing

clarity to the conditions, trends, and opportunities in historically disadvantaged communities can ultimately help develop supports and interventions that respond to the needs of neighborhoods that for too long have been overlooked.

Appendix A: Market Value Analysis Components

Anchorage MVA Indicators

Property Value and Investment	Median Home Assessment Value, 2022-23	Residential property assessments
	Variance of Home Assessment Value, 2022-23	Coefficient of variance of residential property transactions
	Residential Permits, 2021	Count of residential new construction and alteration unit permits as a share of all residential units.
Distress, and Vacancy	Foreclosures, 2021	Residential foreclosures as a share of all housing units.
	Bank Owned Properties,2023	Residential properties owned by a bank.
	Vacant Parcels, 2023	Total residential land area that was classified as a vacant lot as a share of all residential land area.
	Vacant Residential Land, 2023	Total residential land area that was classified as a vacant land as a share of all residential land area.
	Residential Building Condition, 2023	Residential building conditions assessment.
Housing Characteristics	Housing Tenure, 2016-20	Share of owner-occupied households
	Cost-Assisted Renters, 2021	Count of households using housing choice vouchers and living in public or subsidized housing units
	Non-residential Land Area, 2021	Share of block group land area classified as non-residential

Detroit MVA Indicators

Property Value and Investment	Median Sales Price	Median residential sales price between 2018 and 2020.
	Coefficient of Variance	Coefficient of variance between 2018 and 2020.
Blight, Distress, and Vacancy	HUD Vacancy (All)	Share of residential parcels identified as vacant.
	Landbank Properties	Share of residential parcels owned by the city or county landbank.
Housing Characteristics	Owner Occupancy	Owner Occupied Households
	Households Per Acre	Census households per acre
	Percent Residential Land Area	Share of land area in residential parcels
	Investor Owners	Share of parcels owned by an investor or institution
	Subsidized Households	Share of subsidized households

Miami MVA Indicators

Property Value and Investment	Median Sales Price	Median residential sales price between 2017 and 2019.
	Coefficient of Variance	Variance of the median sales price between 2017 and 2019.
	Renovation Permits	Share of parcels with a renovation permit of any value issued between 2018 and 2021. Excluding new construction permits.
	New Construction	Share of parcels with new construction permit issued between 2018 and 2021 or parcel built after 2016.
Blight, Distress, and Vacancy	Code Violations	Share of residential parcels with a code violation, 2018 to 2021.
	Vacant Buildings	Share of residential parcels identified as vacant buildings from the parcel file.
	Vacant Land	Share of residential parcels identified as vacant land from the parcel file.
Housing Characteristics	Owner Occupancy	Owner Occupied Households
	Households Per Acre	Census households per acre
	Percent Residential Land Area	Share of land area in residential parcels
	Investor Owners	Share of parcels owned by an investor or institution
	Subsidized Households	Share of subsidized households

Minneapolis/St. Paul MVA Indicators

Property Value and Investment	Median Sales Price	Median residential sales price between 2018 and 2020.
	Coefficient of Variance	Coefficient of variance between 2018 and 2020.
	Any Permits	Share of parcels with a renovation or new construction permit or built after 2014.
Blight, Distress, and Vacancy	HUD Vacancy (All)	Share of residential parcels identified as vacant.
	Vacant Land	Share of residential parcels identified as vacant land from the parcel file.
Housing Characteristics	Owner Occupancy	Owner Occupied Households
	Households Per Acre	Census households per acre
	Percent Residential Land Area	Share of land area in residential parcels
	Investor Owners	Share of parcels owned by an investor or institution
	Subsidized Households	Share of subsidized households

Philadelphia MVA Indicators

Property Value and Investment	**Median Sales Prices, 2016 – 2018Q2**	Median residential sales prices, excluding non-arms-length transactions, adjusted for sales of condos*, 2016 to 2018Q2 (*Philadelphia Office of Property Assessment*)
	Coefficient of Variance for Sales, 2016 – 2018Q2	Coefficient of variance for residential sales prices, 2016 to 2018Q2 (*Philadelphia Office of Property Assessment*)
	Major Rehab Permits, 2016 – 2018Q2	Count of properties with permits for major renovations 2016 to 2018Q2 as share of all residential parcels (*Philadelphia Department of Licenses and Inspections*)
	New Construction, 2013– 2018Q2	Count of properties with permits for new construction 2013 to 2018Q2 as a share of all residential parcels *(Philadelphia Department of Licenses and Inspections)*
Blight, Distress, and Vacancy	**Vacant Housing and Residential Land,2018**	Count of residential parcels with vacant homes or vacant land as a share of all residential parcels (*Philadelphia Office of Licenses and Inspections*)
	Foreclosure Filings, 2016 – 2018Q2	Count of residential parcels with foreclosure filing issued between 2016 and 2018Q2 as a share residential sales (*Philadelphia Prothonotary's Office*)
Housing Characteristics	**Housing Density, 2018**	Count of housing units per squared meter *(Philadelphia Office of Property Assessment)*
	Owner-Occupied Households, 2016	Share of households that owned their home (*American Community Survey, 5-year Estimates, 2011-2016*)
	Subsidized Rental Housing Units, 2018	Count of subsidized rental housing as a share of all renter-occupied households (*Philadelphia Housing Authority, HUD*)
	Condominium Presence, 2018	Share of housing units in condominiums (*Philadelphia Office of Property Assessment*)

Syracuse MVA Indicators

Property Values and Investment	Median Home Sales, 2019 – 2022	Median price of arms-length residential property transactions between 2019 and June 2022
	Variance of Sales Prices, 2019 – 2022	Dispersion of prices within census block groups between 2019 and June 2022
	Housing Renovation, 2018 – 2019	Share of homes with permits for residential renovation over $3k between 2018 and 2019
Market Stress and Vacancy	Distressed Home Sales, 2019 – 2022	Property transactions classified as foreclosure or bank purchase as a share of residential sales between 2019 and June 2022
	Code Violations, 2018 – 2020	Share of residential properties with code violations between 2018 and 2020
	Housing Vacancy	Share of residential properties listed as vacant land or buildings, unoccupied, or had water shutoff
Area Characteristics	Housing Tenure	Share of owner-occupied households
	Housing Subsidy	Share of rent subsidized households
	Housing Density	Residential land as a share of all land
	Investor Ownership	Share of home sales where purchaser was an investor, LLC, or institutional buyer

Greater St. Cloud MVA Indicators

Property Values and Investment	Median Home Value, 2015 – 2019	Self-identified median home values between 2015 and 2019 *(American Community Survey, Five Year Estimates, 2015-2019)*
	Variance of Home Values, 2015 – 2019	Simpsons Diversity Index on self-identified home values between 2015 and 2019 *(American Community Survey, Five Year Estimates, 2015-2019)*
	Home Construction, 2010 – 2019	Share of housing units constructed since 2010 *(American Community Survey, Five Year Estimates, 2015-2019)*
Market Stress and Vacancy	Housing Vacancy, 2022	Share of vacant residential parcels (houses and lots) *(RF Analysis of County Parcel File)*
	Investor Ownership, 2021	Share of residential properties owned by investors or institutional entities *(RF Analysis of County Parcel File)*
Area Characteristics	Housing Tenure	Share of owner-occupied households *(American Community Survey, Five Year Estimates, 2015-2019)*
	Housing Subsidy	Share of rent subsidized housing units excluding units in senior developments *(RF Analysis of HUD POSH Data)*
	Housing Density	Proportion of land area in parcels with residential land uses; households per acre *(RF Analysis of County Parcel File)*
	Housing Types	Share of Single Family, Duplex, and Large Multi-family Dwellings *(American Community Survey, Five Year Estimates, 2015-2019)*

Wilmington MVA Indicators

Property Values and Investment	Median Home Sale Price, 2017-August 2019	Median sales prices for arms-length transactions *(RF Analysis of data from Kent, New Castle, and Sussex County).*
	Variance of Home Sale Prices, 2017-August 2019	Price variance for arms-length transactions *(RF Analysis of data from Kent, New Castle, and Sussex County).*
	Residential Development Applications, 2017-19	Uses development applications from the Office of State Planning Coordination.
	Residential Building Permits, 2017-19	Uses building permits from the Office of State Planning Coordination and permit data from the City of Wilmington.
Market Stress and Vacancy	Incidence of Foreclosures, 2017-2Q2019	Residential owner-occupied foreclosure filings from the State of Delaware's Department of Justice
	Incidence of Vacant Parcels, 2019	Averaged 3 quarters of United States Postal Service vacancy data for Delaware. Used vacancy data from the City of Wilmington.
Area Characteristics	Housing Tenure, 2018	Uses American Community Survey data (2014-18) to calculate share of housing units that are owner occupied
	Subsidized Housing, 2019	Uses HUD's Portrait of Subsidized Housing (POSH) data to calculate share of rental units that are receiving public subsidy.
	Mobile Homes, 2018	Uses American Community Survey (2014-18) to calculate share of mobile homes.
	USDA Multi-Family Subsidized Housing, 2019	Uses USDA data to calculate share of rental units that are receiving USDA multi-family subsidy.
	Land with Low Population Density, 2010	Uses Census (2010), state building and permit data and Wilmington permit data to identify land with fewer than 1 person or housing unit per acre.
	Agricultural Preservation Land, 2019	Uses DE Department of Agriculture data to calculate share of tract that is preserved.

Appendix B: Social Wellbeing Index Neighborhood Types

Anchorage SWI Neighborhood Types

	Neighborhood Type	Cnt. Non-Profits	Med. Income	Pct. BA+	Pct High Blood Pressure	Pct. Diabetes	Pct. Cost Burden Owners
A	**Healthy Homesteads**. Highest health outcomes and racial integration. Fewer economic resources and housing stability	24	$76,057	25%	25%	7%	30%
B	**Isolated Neighborhoods**. Poor health outcomes with high housing stability and economic integration with poor racial diversity	34	$97,708	45%	30%	8%	21%
C	**Downtown Disadvantage**. High institutional connections, but few economic resources and struggling housing stability and health	81	$59,262	28%	28%	8%	37%
D	**Isolated Suburbs**. Higher incomes, housing stability, and health outcomes, but little diversity and access to institutions	16	$116,472	43%	26%	7%	16%

Detroit SWI Neighborhood Types

	Neighborhood Type	Cnt. Non-Profits	Med. Income	Pct. BA+	Pct High Blood Pressure	Pct. Diabetes	Pct. Cost Burden Owners
A	**Stable, Well-Connected**. Highest level of institutional connection, economic wellbeing, and housing security	19	$58,966	41%	43%	14%	25%
B	**Residential Middle**. Moderate indicators of economic wellbeing and health outcomes	3	$34,326	11%	48%	18%	26%
C	**Diverse Disadvantage**. Low levels of economic wellbeing, poor health outcomes, but high levels of racial and ethnic diversity	2	$26,680	8%	43%	18%	27%
D	**Segregated Disadvantage**. Low levels of economic wellbeing, poor health outcomes, and high levels of racial and ethnic segregation	3	$23,078	8%	51%	22%	38%

Miami SWI Neighborhood Types

	Neighborhood Type	Cnt. Non-Profits	Med. Income	Pct. BA+	Pct High Blood Pressure	Pct. Diabetes	Pct. Cost Burden Owners
A	**Waterfront Advantage**. Highest level of institutional connection, economic wellbeing, and housing security	12	$93,911	66%	22%	8%	33%
B	**Residential Middle**. Moderate indicators of economic wellbeing and health outcomes	3	$49,431	33%	32%	14%	33%
C	**Cost burdened Workers**. Low levels of economic wellbeing, poor health outcomes, but high levels of racial and ethnic diversity	3	$30,981	17%	35%	18%	46%
D	**Disconnected Disadvantage**. Low levels of economic wellbeing, poor health outcomes, and high levels of racial and ethnic segregation	6	$24,383	12%	41%	19%	29%

Minneapolis/St. Paul SWI Neighborhood Types

	Neighborhood Type	Cnt. Non-Profits	Med. Income	Pct. BA+	Pct High Blood Pressure	Pct. Diabetes	Pct. Cost Burden Owners
A	**Downtown Advantage**. Highest level of institutional connection. Moderate indicators of economic wellbeing but positive health outcomes	79	$70,823	62%	18%	6%	20%
B	**Well-off Neighborhoods**. Strong indicators of economic wellbeing, positive health indicators and housing security. High levels of racial/ethnic segregation	4	$86,985	63%	20%	6%	19%
C	**Diverse Neighborhoods**. Low levels of economic wellbeing and poor health outcomes. High levels of racial and ethnic diversity	2	$48,498	26%	25%	10%	23%
D	**Concentrated Disadvantage**. Lowest levels of economic wellbeing, health outcomes, and housing security. High levels of racial and ethnic diversity	5	$33,059	20%	29%	12%	37%

Philadelphia SWI Neighborhood Types

	Neighborhood Type	Cnt. Non-Profits	Med. Income	Pct. BA+	Pct High Blood Pressure	Pct. Diabetes	Pct. Cost Burden Owners
A	**Center City Advantage.** Highest level of institutional connection, economic wellbeing, and health outcomes	87	$76,608	78%	21%	6%	30%
B	**Connected and Green.** High levels of economic wellbeing, housing security and health outcomes	6	$76,137	50%	27%	8%	22%
C	**Mixed.** Highest racial and ethnic diversity but moderate indicators of health outcomes and economic security.	4	$46,086	23%	35%	13%	30%
D	**Concentrated Disadvantage.** Highly segregated by race/ethnicity and income. Lowest scores on indicators of economic and health outcomes.	3	$27,720	11%	42%	18%	32%

Syracuse SWI Neighborhood Types

	Neighborhood Type	Cnt. Non-Profits	Med. Income	Pct. BA+	Pct High Blood Pressure	Pct. Diabetes	Pct. Cost Burden Owners
A	**Stable Neighborhoods.** Strongest economic and housing security, with good health outcomes, but no racial diversity	24	$65,489	48%	28%	10%	14%
B	**Diverse Downtown.** High level of institutional connection and racial integration, but poor economic and housing security	121	$25,352	25%	26%	10%	32%
C	**Isolated Neighborhoods.** Lowest institutional connection, poor economic security, and health outcomes, but moderate integration and housing security	18	$39,305	21%	30%	11%	21%
D	**Struggling Neighborhoods.** Poor health outcomes, and low housing and economic security	22	$26,994	10%	36%	13%	37%

Greater St Cloud SWI Neighborhood Types

	Neighborhood Type	Cnt. Non-Profits	Med. Income	Pct. BA+	Pct High Blood Pressure	Pct. Diabetes	Pct. Cost Burden Owners
A	**Healthy Diversity**. Healthy residents with high housing stability and above average diversity, with limited economic security	14	$41,939	26%	18%	5%	16%
B	**Isolated Wealth**. Strong economic outcomes and housing security, with little racial diversity and poor health outcomes	14	$75,655	39%	23%	7%	16%
C	**Unhealthy Inner Ring**. Strong economic and housing security, but poor health outcomes, and little diversity	13	$46,813	28%	27%	9%	16%
D	**Disadvantaged Downtown**. Strong institutional connections, but poor economic outcomes, health outcomes, and housing stability	27	$40,645	25%	25%	8%	31%

Wilmington SWI Neighborhood Types

	Neighborhood Type	Cnt. Non-Profits	Med. Income	Pct. BA+	Pct High Blood Pressure	Pct. Diabetes	Pct. Cost Burden Owners
A	**Downtown Stressed.** Highest levels of institutional connections, but low levels of economic wellbeing and health outcomes	101	$38,783	24%	41%	16%	29%
B	**Prosperous Suburbs.** Highest levels of economic wellbeing, housing affordability, and health outcomes. Highly segregated	10	$100,471	68%	31%	8%	22%
C	**Integrated Neighborhoods.** Most racially and ethnically integrated with moderate levels of economic wellbeing	7	$49,091	36%	38%	12%	23%
D	**Concentrated Disadvantage.** Highly segregated areas with low economic wellbeing, and poor health outcomes	5	$35,444	10%	44%	17%	31%

Appendix C: Data Sources for Social Wellbeing Indicators

Dimension	Indicators	Data Source
Institutional Connection. A community's proximity to social, cultural, and artistic institutions.	Philanthropic Non-profits within a Half Mile	RF Analysis of IRS 990 Filing Database, 2019
	Education Non-profits within a Half Mile	RF Analysis of IRS 990 Filing Database, 2019
	Health Non-profits within a Half Mile	RF Analysis of IRS 990 Filing Database, 2019
	Housing Non-profits within a Half Mile	RF Analysis of IRS 990 Filing Database, 2019
	Arts and Culture Non-profits within a Half Mile	RF Analysis of IRS 990 Filing Database, 2019
	Arts Employment	American Community Survey, Five-Year Estimates, 2014-2018
	Religious Non-profits within a Half Mile	RF Analysis of IRS 990 Filing Database, 2019
Economic Wellbeing. Residents' level of financial security and economic opportunity.	Adults with High School Diploma	American Community Survey, Five-Year Estimates, 2014-2018
	Adults with BA or Higher Degree	American Community Survey, Five-Year Estimates, 2014-2018
	Population with Investment or Dividend Income	American Community Survey, Five-Year Estimates, 2014-2018
	Median Household Income	American Community Survey, Five-Year Estimates, 2014-2018
	Labor Force Participation	American Community Survey, Five-Year Estimates, 2014-2018
	Civilian Employment	American Community Survey, Five-Year Estimates, 2014-2018
	People in Poverty	American Community Survey, Five-Year Estimates, 2014-2018
	Families Earning Less than 200% Poverty Rate	American Community Survey, Five-Year Estimates, 2014-2018
Health Outcomes. Population outcomes related to the physical and mental health of residents.	Population with Insurance	American Community Survey, Five-Year Estimates, 2014-2018
	Population with High Blood Pressure	PolicyMap Analysis of 2017 and 2018 CDC Behavioral Risk Factor Surveillance System Data
	Population Experiencing Fair or Poor Health	PolicyMap Analysis of 2017 and 2018 CDC Behavioral Risk Factor Surveillance System Data
	Physically Inactive Adults	PolicyMap Analysis of 2017 and 2018 CDC Behavioral Risk Factor Surveillance System Data
	Percent Obese	PolicyMap Analysis of 2017 and 2018 CDC Behavioral Risk Factor Surveillance System Data
	Population with Diabetes	PolicyMap Analysis of 2017 and 2018 CDC Behavioral Risk Factor Surveillance System Data
Housing Security. The affordability of housing costs for the community's residents.	Cost Burdened Owners	American Community Survey, Five-Year Estimates, 2014-2018
	Extremely Cost Burdened Owners	American Community Survey, Five-Year Estimates, 2014-2018

Dimension	Indicators	Data Source
	Cost Burdened Renters	American Community Survey, Five-Year Estimates, 2014-2018
	Extremely Cost Burdened Renters	American Community Survey, Five-Year Estimates, 2014-2018
	Owners with Mortgages Spending Over 30% Income on Housing	American Community Survey, Five-Year Estimates, 2014-2018
	Owners with Mortgages Spending Over 50% Income on Housing	American Community Survey, Five-Year Estimates, 2014-2018
	Median Owner Housing Cost as Share of Income	American Community Survey, Five-Year Estimates, 2014-2018
	Median Owner Housing Cost as Share of Income among those with Mortgages	RF Analysis of American Community Survey, Five-Year Estimates, 2014-2018
Racial Ethnic Diversity. The level of racial and ethnic integration or segregation within a community.	Simpsons Diversity Index	RF Analysis of American Community Survey, Five-Year Estimates, 2014-2018
	Share of Population not in Predominate Racial/Ethnic Group	RF Analysis of American Community Survey, Five-Year Estimates, 2014-2018
Economic Inclusion. The level of economic integration or isolation within a community.	Simpsons Diversity Index on Income	RF Analysis of American Community Survey, Five-Year Estimates, 2014-2018
	Gini Coefficient	RF Analysis of American Community Survey, Five-Year Estimates, 2014-2018