



DETROIT'S STRATEGIC NEIGHBORHOOD FUND

EVALUATING VARIATION IN NEIGHBORHOOD SENTIMENTS AMONG SNF RESIDENTS - SPRING 2021

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M | **DETROIT METRO AREA COMMUNITIES STUDY**

BACKGROUND

In 2016, the City of Detroit, Invest Detroit, and other nonprofit and private sector partners announced the Strategic Neighborhood Fund (SNF) initiative, an effort to improve the lives of Detroiters through investments in the local built environment. The initiative's guiding theory is that place-based investments—including funding for local affordable housing, retail, streetscapes, and parks—can foster and catalyze dense, safe, mixed-income neighborhoods, thereby boosting local economic opportunity and improving the quality of life for all residents. Putting this theory into action, SNF has targeted strategic investment toward 10 Detroit neighborhoods outside of the greater downtown area, selected based on their likelihood to quickly benefit from localized investment.¹ The first round of SNF investments, announced in 2016, targeted improvements in the Southwest/Vernor, Livernois/McNichols, and Islandview/Greater Villages neighborhoods (referred to here as SNF 1.0 neighborhoods). In 2018, seven additional SNF neighborhoods (referred to here as SNF 2.0 neighborhoods) were announced: Grand River/Northwest, Warrendale/Cody Rouge, Russell Woods/Nardin Park, Campau/Banglatown, Jefferson Chalmers, East Warren/Cadieux, and Gratiot/7 Mile.

This report is part of an ongoing effort and partnership between the University of Michigan's [Detroit Metro Area Communities Study](#) (DMACS) and [Invest Detroit](#) to study SNF investments, test this theory of change, and gauge the impact of the SNF initiative on residents. Starting in 2019—as initial investments were coming to fruition in SNF 1.0 neighborhoods and prior to much of the planned development in SNF 2.0 neighborhoods—DMACS has surveyed an oversample of residents in SNF neighborhoods to understand the relationship between this place-based investment strategy and resident perceptions. By comparing residents of SNF neighborhoods to non-SNF neighborhoods, as well as examining variation in perspectives among residents of different SNF neighborhoods, we can assess whether and how SNF investments appear to shape local sentiments.

An [initial report on this topic, published in 2020](#), offered a snapshot of the relationship between neighborhood conditions and resident perceptions at the early stages of the SNF program. The report found that residents of the first three SNF neighborhoods (SNF 1.0)—where the place-based investment process was further along—were significantly more likely than other Detroiters to report greater overall neighborhood satisfaction and positive signs of neighborhood change, including more people moving in, more businesses opening,

Figure 1: Map of SNF Neighborhoods by Phase

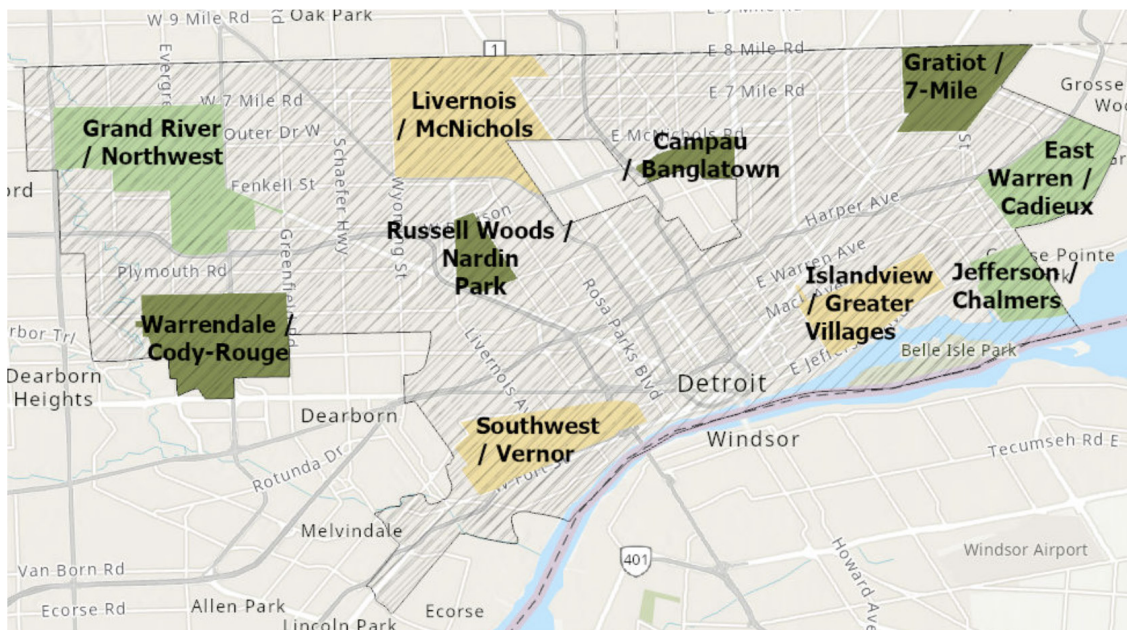


Figure 1 Notes: Map illustrates SNF neighborhood locations by their funding phase. Yellow neighborhoods are part of the first phase of SNF (SNF 1.0) announced in 2016. Green neighborhoods are part of the second phase of SNF (SNF 2.0) announced in 2018. In this report, we characterize SNF 2.0 neighborhoods by their level of advantage to help explain differences in our findings between these resident groups. The light green SNF neighborhoods are referred to in this report as “more advantaged” SNF 2.1 neighborhoods. The darker green SNF neighborhoods are referred to as “less advantaged” SNF 2.2 neighborhoods.

increasing property values, and increasing neighborhood attractiveness. By comparison, residents in the second set of SNF neighborhoods (SNF 2.0)—where strategic investments were mainly in the planning stage²—perceived that the local quality of life was no different from the rest of the city.

Since then, DMACS has collected additional data annually to further explore the relationship between the SNF initiative and local sentiments. Drawing on those additional survey waves, DMACS researchers are releasing a [series of reports](#) that revisit and update our 2020 findings. The goal of these reports is to gain insight into the impacts of SNF’s targeted neighborhood investments on Detroiters’ experience of their changing communities and to inform future efforts and policies to drive neighborhood change, including the [recently announced third phase of investment in SNF](#), funded by the Gilbert Family Foundation.

In this report, we replicate our analyses of the 2019 baseline data drawing on data collected between January and March 2021. The spring 2021 data capture the perspectives of 2,238 Detroit residents, including an oversample of those living in SNF communities. In our analysis, we examine differences in perspectives between residents of SNF and non-SNF neighborhoods as well as compare and contrast perceptions of residents of SNF 1.0, SNF 2.1, and SNF 2.2 neighborhoods. We divide SNF 2.0 communities into two groups—SNF 2.1 neighborhoods are “more advantaged” SNF 2.0 communities: Grand River/Northwest, Jefferson Chalmers, and East Warren/Cadieux; SNF 2.2 neighborhoods are “less advantaged” SNF 2.0 communities: Warrendale/Cody Rouge, Russell Woods/Nardin Park, Campau/Banglatown, and Gratiot/7 Mile—based on additional analysis (see Appendix A) suggesting that neighborhood conditions in SNF 2.1 neighborhoods are substantively different than conditions in SNF 2.2 neighborhoods.³ The data have been weighted to reflect city demographics.⁴

KEY TAKEAWAYS

- On the whole, in 2021 residents of SNF neighborhoods were significantly more likely to be satisfied with their neighborhoods and to think quality of life in their neighborhood was improving compared to residents of non-SNF neighborhoods.
- There was a strong divide in neighborhood sentiments among SNF residents. Residents of SNF 1.0 and 2.1 neighborhoods were significantly more likely than residents of SNF 2.2 neighborhoods to be satisfied with their neighborhoods and to think their neighborhoods had good reputations. Residents of SNF 1.0 neighborhoods were also significantly more likely to think local quality of life was improving.
- On many measures of neighborhood quality, residents of the 10 SNF neighborhoods did not express greater satisfaction with neighborhood amenities than other Detroit residents. However, residents of SNF 2.1 neighborhoods were significantly more satisfied with the quality and maintenance of houses and lots. Residents of SNF 2.2 neighborhoods generally were the least satisfied with neighborhood amenities.
- Residents of SNF 1.0 neighborhoods reported more positive signs of neighborhood change—increasing neighborhood attractiveness, more businesses opening, more people moving in—in 2021 than non-SNF neighborhoods.
- SNF residents were significantly more likely to report that their property values had risen between 2020 and 2021 compared to other Detroiters. This difference was driven primarily by increasing prices within SNF 1.0 neighborhoods, where 60% of residents reported rising property values.
- Residents of SNF neighborhoods collectively were not more likely to feel safe in their neighborhoods than other Detroiters. However, residents of SNF 1.0 neighborhoods were more likely to feel safe walking in their neighborhoods than other residents and were less likely to say safety had declined in their neighborhood between 2020 and 2021.

FINDINGS

NEIGHBORHOOD SATISFACTION, QUALITY OF LIFE, AND REPUTATION

While the majority (60%) of Detroit residents expressed satisfaction with their neighborhoods in 2021, 28% said they were somewhat, mostly, or very dissatisfied with their neighborhoods as a place to live.⁵ On the whole, residents of SNF neighborhoods were significantly more likely to be satisfied with their neighborhoods (64%) compared to residents of non-SNF neighborhoods (58%).⁶ However, this heightened satisfaction among residents of SNF neighborhoods obscures the divide between residents of SNF 2.2 neighborhoods—those in the less advantaged neighborhoods of Warrendale/Cody Rouge, Russell Woods/Nardin Park, Campau/Banglatown, and Gratiot/7 Mile—and the residents of other SNF neighborhoods. As shown in Figure 2, nearly three-quarters of residents in SNF 1.0 and 2.1 neighborhoods reported that they were very, mostly, or somewhat satisfied with their neighborhoods, significantly greater than the proportion of residents of non-SNF neighborhoods (60%) who said they were similarly satisfied. By comparison, just under half (49%) of residents of SNF 2.2 neighborhoods expressed satisfaction with their neighborhoods and 37% said they were dissatisfied with their neighborhoods as a place to live.

When asked their views about their neighborhood’s trajectory in the past year (between 2020 and 2021)—whether quality of life there was improving, declining, or staying the same— residents of SNF neighborhoods on the whole

were significantly more likely than residents of non-SNF neighborhoods to hold a positive outlook. Forty-three percent of residents of SNF neighborhoods said quality of life was improving, 13% said declining, and 37% said staying the same. By comparison, 32% of residents of non-SNF neighborhoods thought quality of life in their neighborhood was improving while 19% said it was declining. However, this comparatively rosy outlook was driven primarily by the positive perceptions of residents of SNF 1.0 neighborhoods, 48% of whom said their quality of life was improving and just 9% of whom said it was declining. By comparison, 39% and 36% of residents of SNF 2.1 and 2.2 neighborhoods, respectively, said quality of life was improving. Half of residents of SNF 2.1 neighborhoods and 57% of residents of SNF 2.2 neighborhoods said quality of life was declining or staying the same (see Figure 3).

Residents’ perceptions of neighborhood reputation in 2021 closely resemble the pattern observed with neighborhood satisfaction: that residents of SNF 1.0 and 2.1 neighborhoods had rosier perceptions than residents of SNF 2.2 neighborhoods (Figure 4). Residents of these less advantaged SNF 2.0 neighborhoods were significantly less likely (31%) than residents of non-SNF (45%), SNF 1.0 (56%), or SNF 2.1 (55%) neighborhoods to say their neighborhood had a good or very good reputation. Residents of SNF 2.2 neighborhoods were also 1.5 times as likely to report a neutral neighborhood reputation.⁷

Figure 2: Satisfaction with Neighborhood as a Place to Live

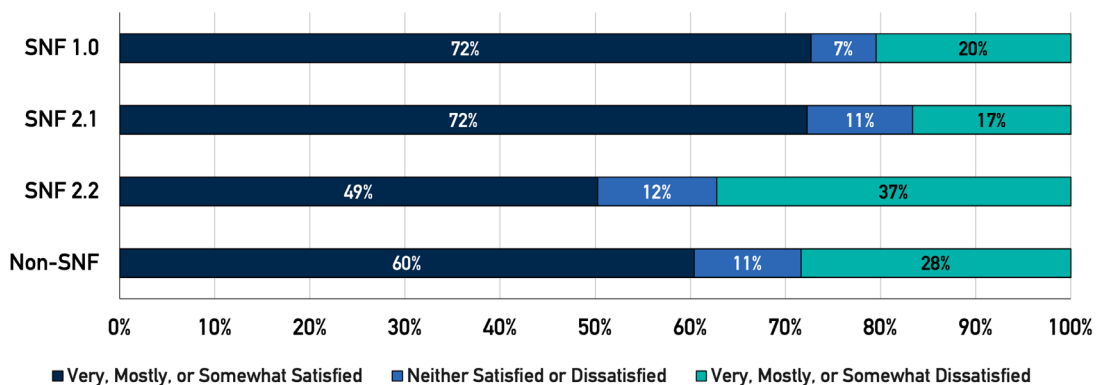


Figure 3: Neighborhood Quality of Life

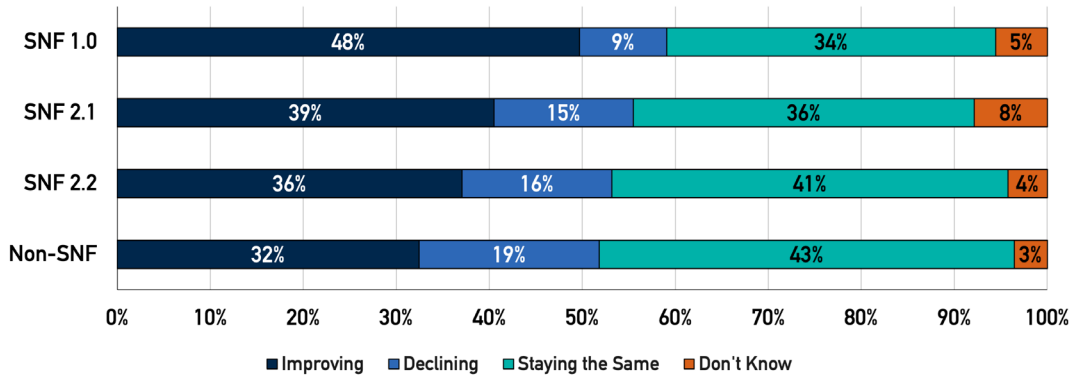
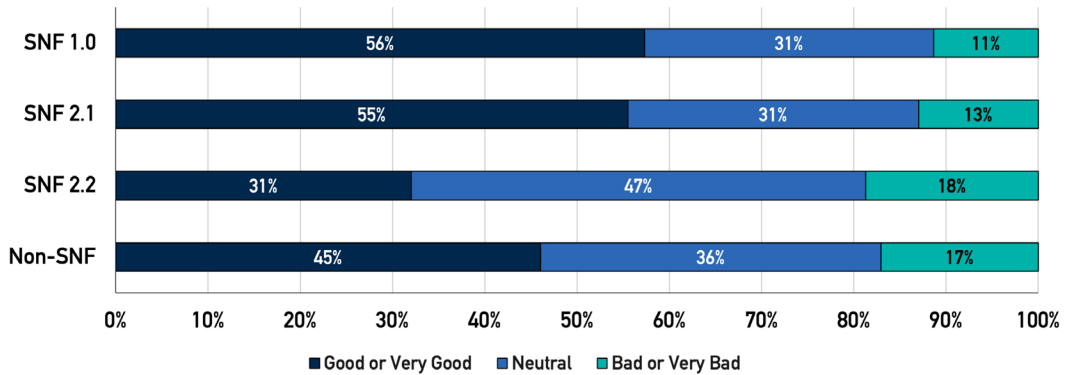


Figure 4: Perceived Neighborhood Reputation



SATISFACTION WITH NEIGHBORHOOD AMENITIES

SNF funds are intended to focus on community-driven projects in four specific areas—park improvements, streetscape improvements, commercial corridor development, and affordable single-family home stabilization. Despite the targeted nature of these investments, we generally do not observe that residents of SNF neighborhoods expressed greater satisfaction with local amenities compared to the rest of the city. For example, when asked to rate their satisfaction with the availability of affordable housing, condition of streets and sidewalks, quality of parks and playgrounds, and availability of stores, residents of SNF neighborhoods were no more likely to be satisfied than other residents.⁸

There are a few points of difference captured in Figure 5 worth highlighting. First, compared to non-SNF and SNF 2.1 neighborhoods, residents in SNF 1.0 and SNF 2.2 neighborhoods were significantly less satisfied with the availability of public transportation. Additionally, though we don't observe significant variation in satisfaction with the availability of affordable housing (a SNF priority), we do find that residents of SNF 1.0 and 2.1 neighborhoods were more likely to be satisfied

with the quality of housing in their neighborhoods compared to non-sNF and SNF 2.2 neighborhoods. More than half (52%) of residents of SNF 1.0 and SNF 2.1 neighborhoods reported being satisfied with the condition of most housing. Additionally, residents of SNF 2.1 neighborhoods were significantly more likely to be satisfied with the use and maintenance of vacant lots.

Another theme apparent in Figure 5 is that residents of SNF 2.2 neighborhoods were less satisfied with neighborhood amenities than other residents. This was true in every category, though the difference is only significant in terms of satisfaction with access to public facilities.

The lack of difference in satisfaction with amenities is interesting in part because it suggests that place-based investments into these spaces had yet to boost the perspective of residents as of 2021. This lack of difference, however, may also reflect the impact of the COVID-19 pandemic. The economic fallout of the pandemic on household and municipal budgets may have meant that the maintenance of homes and public spaces was more challenging. At the same time, the toll of social distancing and the utility of public spaces may have also shaped how satisfied people felt with parks, public facilities, and the availability of local businesses.

Figure 5: Satisfaction with Neighborhood Amenities

Key: ■ SNF 1.0 ■ SNF 2.1 ■ SNF 2.2 ■ Non-SNF

Affordable Housing



Streets and Sidewalks



Parks and Playgrounds



Available Stores



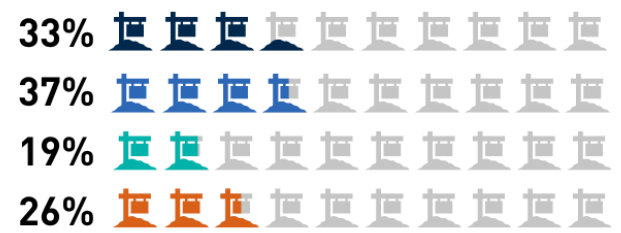
Public Facilities



Condition of Houses



Use of Vacant Lots



Public Transit



PERCEIVED CHANGE IN NEIGHBORHOOD ATTRACTIVENESS, POPULATION, AND BUSINESS PRESENCE

The COVID-19 pandemic took a considerable toll on many facets of urban life, including shrinking or redirecting municipal budgets, reshaping patterns of residential mobility, and damaging the stability of local businesses. When examining residents' perceptions in 2021 of change in neighborhood conditions over the previous year (between 2020 and 2021), it is notable that despite the upheaval of the pandemic, a common view among Detroiters was a sense of stability. Nearly one-half (47%) of Detroiters reported that neighborhood attractiveness had not changed over the previous year, compared to 24% who perceived a decline in neighborhood appearance and 24% who perceived their neighborhood attractiveness had improved. Similarly, 38% of Detroiters reported no change in the number of businesses in their neighborhood, while 23% perceived more businesses had closed than opened and 30% perceived more businesses had opened than closed. Thirty-four percent of Detroiters reported no change in the number of people moving into or out of their neighborhood, while 14% perceived the population in their neighborhood had decreased and 39% perceived the population in their neighborhood had increased.

In general, SNF 1.0 neighborhoods fared better than non-SNF neighborhoods in terms of signals of neighborhood improvement or stability. Residents of SNF 1.0 neighborhoods were significantly more likely to think the appearance of their neighborhood had improved in the last year (36%) and were significantly less likely to sense that their neighborhood had grown less attractive (12%). By comparison, 20% of residents of non-SNF neighborhoods thought their neighborhood had grown more attractive and 25% thought their neighborhood had grown less attractive. Residents of SNF 1.0 neighborhoods were also significantly more likely to think more people had moved into their neighborhood and that more businesses had opened in the past year.

Beyond the positive trend among SNF 1.0 neighborhoods, another notable trend in perceptions of change is that, unlike measures of reputation and satisfaction where SNF 2.2 neighborhoods lagged behind, residents of SNF 2.2 neighborhoods were not less likely than non-SNF residents to report increased population, business presence, or neighborhood attractiveness. In fact, residents of SNF 2.2 neighborhoods were significantly more likely to say they saw more people moving into their neighborhood (44%) than residents of non-SNF neighborhoods.

Figure 6: Perceived Change in Neighborhood Attractiveness

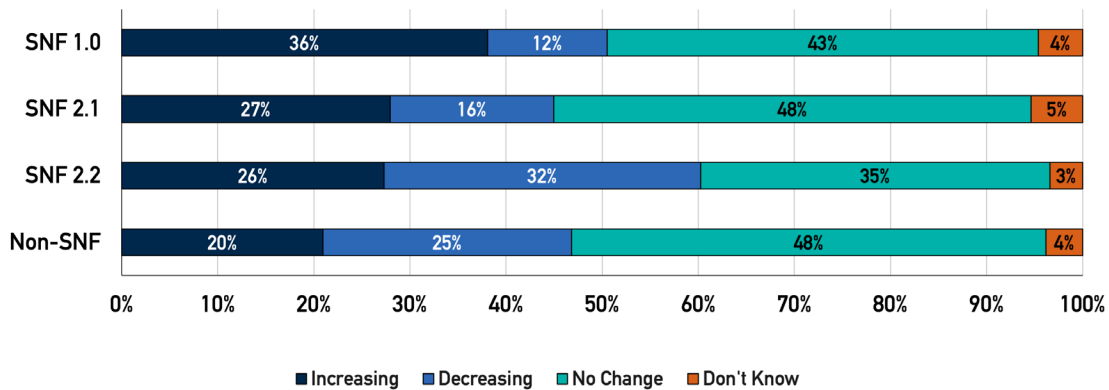


Figure 7: Perceived Change in Neighborhood Population

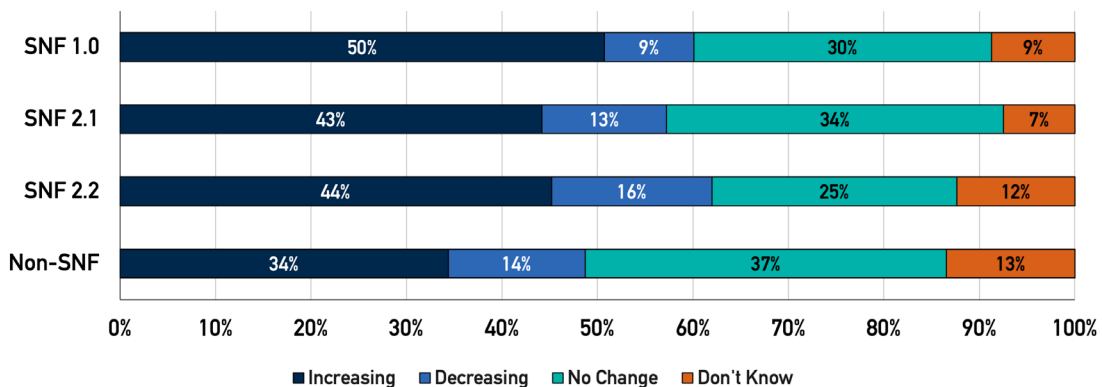
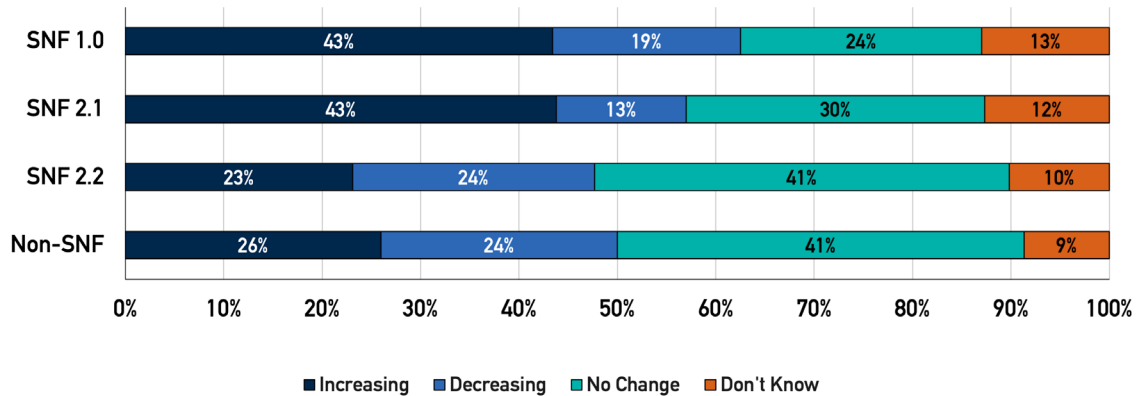


Figure 8: Perceived Change in Business Presence



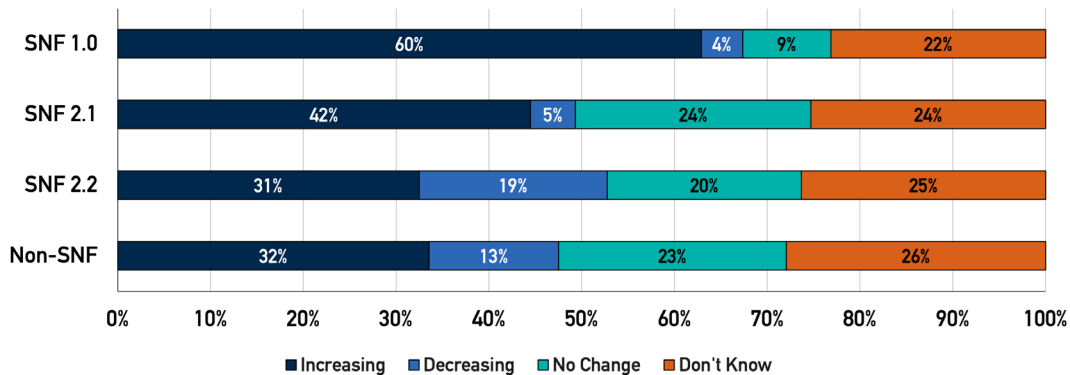
PERCEIVED CHANGE IN NEIGHBORHOOD RENT AND PROPERTY VALUES

The pandemic shifted the housing market nationally, limiting residents' abilities to pay rent and driving a frenzy in home buying. Despite this, the predominant perception among Detroit renters in 2021 was one of stability. Half (51%) of renters in spring 2021 said that their rents had not changed in the past year while 38% said their rents had increased and 4% said their rents had decreased. We observe no significant differences in perceived change in rents between residents of SNF and non-SNF neighborhoods.

Perceptions of change in property values among homeowners showed greater variation. Forty percent of Detroit property owners reported their home's value had risen between 2020 and 2021, while 13% reported their property's value had gone down and 23% reported no change in value. Perhaps

due to the shifting nature of the housing market during the COVID-19 pandemic, one-quarter of homeowners reported not knowing how their property value had changed. Residents of SNF neighborhoods were significantly more likely to report that their property values had risen and were significantly less likely than residents of non-SNF neighborhoods to report their property's value had gone down. However, we observe considerable variation between SNF groups. In SNF 1.0 neighborhoods, 60% of homeowners reported rising property values. This is significantly greater than the 32% of homeowners in non-SNF neighborhoods or 31% of homeowners in SNF 2.2 neighborhoods who reported increasing property values. Additionally, residents of SNF 1.0 and 2.1 neighborhoods were significantly less likely to believe their property values were declining. Just 4% and 5%, respectively, reported their home values had dropped in the past year, compared to 19% of residents in SNF 2.2 neighborhoods and 13% of residents of non-SNF neighborhoods (Figure 9).

Figure 9: Perceived Change in Neighborhood Property Values



PERCEPTIONS OF NEIGHBORHOOD CRIME AND SAFETY

Safety is an ever-present issue among Detroiters and greatly affects how they experience their neighborhoods. In general, in 2021 Detroit residents reported that they felt secure in their homes but less safe walking in their neighborhoods. About half (45%) of Detroiters said they feel very safe in their homes at night compared to 46% who said somewhat safe and 7% who said not safe. When it comes to feelings of safety walking around in their neighborhood during the day, 23% of Detroiters said they feel very safe while 52% said somewhat safe and 19% said not safe.

Residents of SNF neighborhoods on the whole were not more likely to report feeling safe at home or walking in their neighborhoods than other Detroiters. However, residents of SNF 1.0 neighborhoods were more likely to report feeling safe walking in their neighborhoods than other residents. Thirty-one percent of residents of SNF 1.0 neighborhoods said they felt very safe walking in their neighborhoods, significantly more than the 21% of residents of non-SNF and 13% of residents

of SNF 2.2 neighborhoods who similarly reported feeling very safe. Conversely, just 10% of residents of SNF 1.0 neighborhoods said they did not feel safe walking in their neighborhood, making them half as likely as all other residents to report feeling unsafe (Figure 10).

In general, few residents detected meaningful change in neighborhood safety over time. More than half (56%) of Detroiters reported that safety in their neighborhood hadn't changed between 2020 and 2021, while 15% reported their neighborhood had gotten safer and 21% reported their neighborhood had gotten less safe. Residents of SNF neighborhoods were significantly less likely to say their neighborhood had become less safe, a fact driven primarily by residents of SNF 1.0 neighborhoods. Thirteen percent of residents of SNF 1.0 neighborhoods said they felt less safe in their neighborhood compared to the previous year. By contrast, 20% of residents of SNF 2.2 neighborhoods and 23% of residents of non-SNF neighborhoods similarly reported feeling less safe over time (Figure 11).

Figure 10: Feelings of Safety Walking in Neighborhood

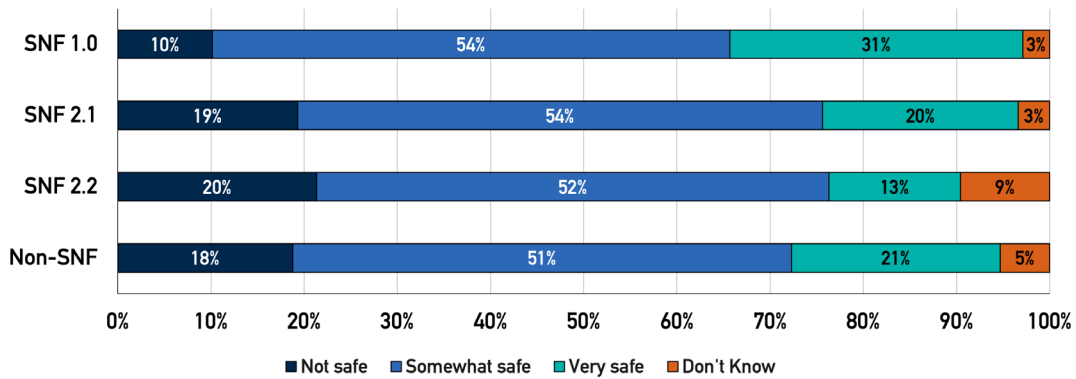
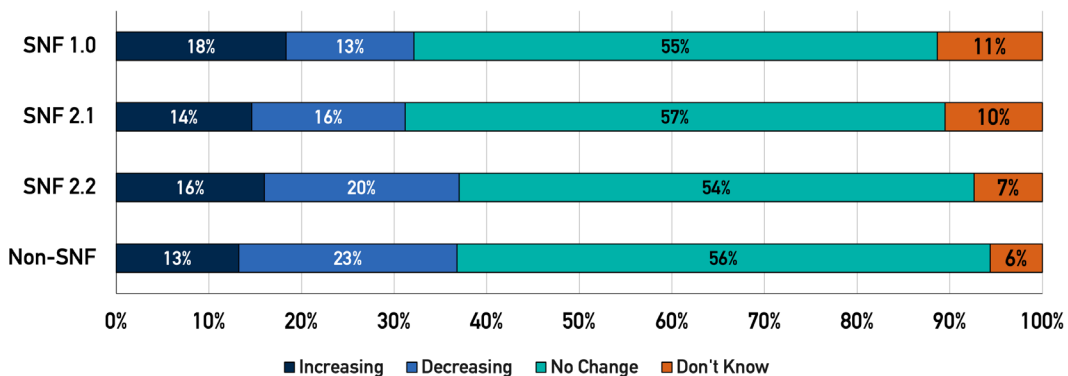


Figure 11: Perceived Change in Neighborhood Safety



ENDNOTES

- 1 The likelihood of benefiting quickly from localized investment was assessed in terms of the neighborhoods' population densities, presence of a central commercial corridor, strong local leadership, and proximity to public assets, along with other characteristics. For more on selection criteria for the Strategic Neighborhood Fund, as well as background on the initiative and its timeline, see Invest Detroit. 2019. [Strategic Neighborhood Fund 2.0: One City. For all of us](#). Because of these selection criteria, SNF neighborhoods likely possess greater amenities than other Detroit neighborhoods. For these reasons, one should be cautious in interpreting results as implying that early SNF efforts, and not underlying dimensions of the neighborhood, were the cause of observed differences.
- 2 SNF projects developed in two phases, a planning phase and an implementation phase. The timing of on the ground investment in each neighborhood depends on the completion of the planning phase. Planning for SNF 1.0 and 2.1 neighborhoods ended earlier (between 2017 and 2019) than in SNF 2.2 neighborhoods (between 2019 and 2021), meaning SNF 2.2 neighborhoods moved into implementation more recently.
- 3 Compared to SNF 2.1 communities, SNF 2.2 communities have significantly lower median household incomes and significantly lower levels of educational attainment. There are no statistically significant socio-economic differences between SNF 1.0 and 2.1 neighborhoods. For more on neighborhood characteristics of SNF 1.0, 2.1, 2.2 and non-SNF neighborhoods, see Appendix A.
- 4 For more on the sampling and weighting approach, as well as results for the full sample of Detroit residents, see [Wave 12 Survey Toplines](#).
- 5 In the original survey, satisfaction with one's neighborhood as a place to live was gauged using a seven point scale ranging from 1 (very dissatisfied) to 7 (very satisfied). In this report we have collapsed the categories into a three point scale—pooling very, mostly, and somewhat dissatisfied and very, mostly, and somewhat satisfied—for ease of interpretation.
- 6 To address differences in population composition between SNF neighborhood types—for example, that lower-income residents or minority residents may be more likely to live in SNF 2.2 neighborhoods and also may be more likely to express dissatisfaction—we report significant results based on logistic regression models that control for variation in respondent demographics. We report differences in estimated group means if they reflect statistically significant differences at the 95% confidence level.
- 7 In the original survey, neighborhood reputation was measured using a five point scale ranging from 1 (very bad) to 5 (very good). In this report we have collapsed the categories into a three point scale—pooling very bad and bad and very good and good—for ease of interpretation.
- 8 In the original survey, satisfaction with amenities was measured using a five point scale ranging from 1 (very dissatisfied) to 5 (very satisfied). In this report we report satisfaction with amenities as a binary variable, reflecting if a respondent says they are somewhat or very satisfied with an amenity.

APPENDIX A

In this report and other reports in this series, we split our analysis of SNF 2.0 communities into two groups: SNF 2.1 communities—Grand River/Northwest, Jefferson Chalmers, and East Warren/Cadieux—which we describe as “more advantaged” and SNF 2.2 communities—Warrendale/Cody Rouge, Russell Woods/Nardin Park, Campau/Banglatown, and Gratiot/7 Mile—which we describe as “less advantaged.” The grouping of these neighborhoods into more and less advantaged categories was suggested by our partners at Invest Detroit, based on their knowledge of and experience in these communities. The table below provides summary statistics for neighborhood conditions of these neighborhoods to further clarify the socio-economic variation between them. Compared to SNF 2.1 communities, SNF 2.2 communities have significantly lower median household incomes and significantly lower levels of educational attainment. SNF 2.2 neighborhoods also have higher rates of poverty, though this difference is only marginally significant. Residents of SNF 2.2 neighborhoods were not significantly different from SNF 2.1 neighborhoods in terms of their rates of receipt of public assistance, vacant housing, unemployment, or residential stability. The table also shows that SNF 1.0 and SNF 2.1 neighborhoods were demographically comparable, with no statistically significant differences in these socio-economic indicators.

Table 1. Census Characteristics of SNF and Non-SNF Neighborhoods

	NON-SNF		SNF 1.0		SNF 2.1		SNF 2.2	
	Mean	Std Dev	Mean	Std Dev	Mean	Std Dev	Mean	Std Dev
Median Household Income	\$34,416.32	\$14,652.30	\$43,617.14	\$25,328.16	\$44,619.35	\$15,025.69	\$35,151.62	\$7,469.49
% in Poverty	33.37%	12.08%	26.84%	13.60%	26.90%	14.85%	33.32%	13.73%
% Vacant Housing	25.51%	14.38%	21.23%	12.70%	19.07%	10.54%	25.27%	15.83%
% Public Assistance	4.46%	4.18%	4.24%	3.83%	4.44%	2.90%	5.30%	5.60%
% Unemployed	16.32%	9.11%	13.58%	5.69%	14.61%	8.74%	17.10%	6.64%
% HS or Less Education	52.02%	14.83%	50.19%	21.54%	44.29%	14.21%	54.44%	10.70%
% Movers in Last Year	13.15%	9.05%	12.24%	6.45%	11.27%	6.24%	14.54%	14.56%

Source: ACS 2017-2021 5 Year Estimates

Table 1 Notes: This table reports the mean and standard deviation of census tracts that overlap with corresponding SNF 1.0, 2.1, 2.2, and non-SNF neighborhoods. Significant variation is assessed at the $p > .05$ level.

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