



DETROIT'S STRATEGIC NEIGHBORHOOD FUND

EVALUATING VARIATION IN NEIGHBORHOOD SENTIMENTS AMONG SNF RESIDENTS - SUMMER 2023

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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

Figure 1: Map of SNF Neighborhoods by Phase

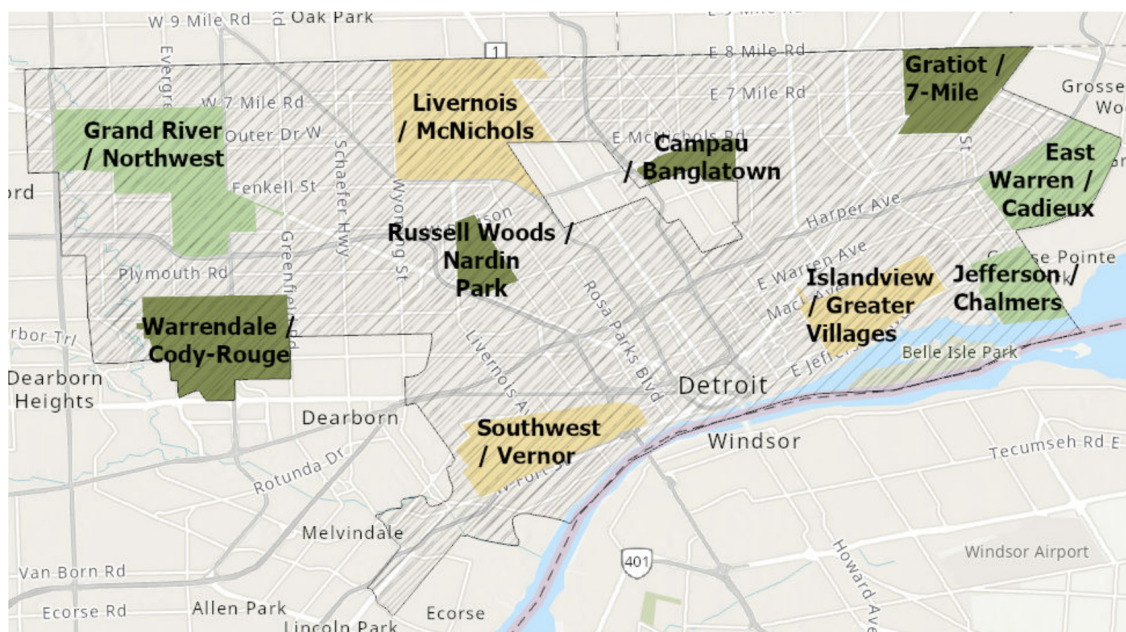


Figure 1 Notes: Map illustrates SNF neighborhood locations by their funding phase. Yellow neighborhoods are part of the first phase of SNF (SNF 1.0) announced in 2016. Green neighborhoods are part of the second phase of SNF (SNF 2.0) announced in 2018. In this report, we characterize SNF 2.0 neighborhoods 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.

satisfaction and positive signs of neighborhood change, including more people moving in, more businesses opening, 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 draw on data collected between June and August 2023 to replicate our analyses of the 2019, 2021, and 2022 data. The summer 2023 data capture the perspectives of 2,501 Detroit residents. 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

- Residents in SNF 1.0 neighborhoods—the first three neighborhoods targeted by SNF investments—were more likely to report greater overall neighborhood satisfaction, improving quality of life, and better neighborhood reputation than other Detroiters.
- There was a deep divide between SNF 2.1 and 2.2 neighborhoods in terms of resident sentiments. Residents of SNF 2.1 neighborhoods—those living in more advantaged SNF 2.0 neighborhoods—were more satisfied and held rosier perceptions of neighborhood reputation and changes in quality of life than residents of SNF 2.2 neighborhoods.
- Residents of SNF 1.0 neighborhoods were significantly more likely than residents of non-SNF neighborhoods to express satisfaction with the condition of streets and sidewalks and with their access to local stores, areas of focus for place-based SNF investments.
- The pattern of stratification among resident groups—with residents attaching more positive sentiments to SNF 1.0 and 2.1 neighborhoods than non-SNF or SNF 2.2 neighborhoods—holds when considering how Detroiters perceive their neighborhoods to have changed over time. Residents of SNF 2.2 neighborhoods were the least likely to report positive signs of neighborhood change between 2022 and 2023 including more people moving in, more businesses opening, or increasing neighborhood attractiveness.
- In 2023, the majority (65%) of Detroit renters reported rising rents over the previous year. This spike in rent was true across all neighborhood groups. Just 2% of residents reported their rent had gone down.
- Residents of SNF neighborhoods were significantly more likely than other Detroiters to report that their property values had risen. This was driven primarily by rising values in SNF 1.0 neighborhoods, where 58% of residents reported higher property values.
- Perceptions of safety varied considerably between SNF neighborhoods. In SNF 1.0 neighborhoods, residents were significantly more likely to say they felt very safe in their homes and in their neighborhoods than other Detroiters.

FINDINGS

NEIGHBORHOOD SATISFACTION, QUALITY OF LIFE, AND REPUTATION

Overall, in summer 2023 Detroit residents expressed satisfaction with their neighborhoods. Sixty-one percent said they were very, mostly, or somewhat satisfied with their neighborhoods, and just 5% said they were very dissatisfied.⁵ When comparing residents of SNF and non-SNF neighborhoods generally, we found no significant difference in reports of neighborhood satisfaction.⁶ However, examining variation between SNF resident groups revealed that residents of SNF 1.0 and 2.1 neighborhoods—those further along in their investment timeline or more economically advantaged—reported significantly higher levels of satisfaction with their neighborhoods compared to residents of SNF 2.2 neighborhoods. Nearly 7 out of 10 residents in SNF 1.0 and 2.1 neighborhoods (68% and 69%, respectively) said they were satisfied with their neighborhoods compared to 53% of residents of SNF 2.2 neighborhoods. Twenty-nine percent of residents of SNF 2.2 neighborhoods said they were dissatisfied with their neighborhoods. Neighborhood satisfaction among residents of other neighborhoods in Detroit lies in the middle: 60% of residents of non-SNF neighborhoods reported satisfaction with their neighborhoods while 12% were neither satisfied nor dissatisfied and 26% were dissatisfied (Figure 2).

When asked about their neighborhood's trajectory over the previous year—whether quality of life there was improving, declining, or staying the same—Detroit residents' views were

less explicitly positive. While 37% of Detroiters believed quality of life in their neighborhood was improving, 41% believed it was staying the same and 18% believed it was declining. Residents of SNF 1.0 neighborhoods were significantly more likely than other Detroiters to say quality of life was improving (51%). As with satisfaction, there was a deep divide in perspectives between residents of SNF 2.1 and 2.2 neighborhoods. While 42% of residents of SNF 2.1 neighborhoods said quality of life in their neighborhood was improving, just 29% of residents of SNF 2.2 neighborhoods similarly saw positive change. As shown in Figure 3, this difference was largely driven by discrepant perceptions of neighborhood stability rather than decline. Among residents of SNF 2.1 and 2.2 neighborhoods, 20% and 25%, respectively, think quality of life in their neighborhoods was declining. But, 42% of residents of SNF 2.2 neighborhoods viewed quality of life as staying the same, compared to 34% of residents of SNF 2.1 neighborhoods.

Residents' perceptions of neighborhood reputation closely resembled the pattern observed with neighborhood satisfaction: residents of SNF 1.0 and 2.1 neighborhoods had rosier perceptions than other Detroiters (Figure 4).⁷ Residents in SNF 1.0 and 2.1 neighborhoods were roughly twice as likely to say their neighborhood had a positive reputation (SNF 1.0: 60%; SNF 2.1: 59%) compared to a neutral reputation (SNF 1.0: 30%; SNF 2.1: 34%). Residents in SNF 2.2 neighborhoods were 1.5 times as likely to say their neighborhood reputation was neutral (45%) than good (32%). Residents in non-SNF neighborhoods were equally likely to assess their neighborhood reputation as neutral (42%) or good (43%).

Figure 2: Satisfaction with Neighborhood as a Place to Live

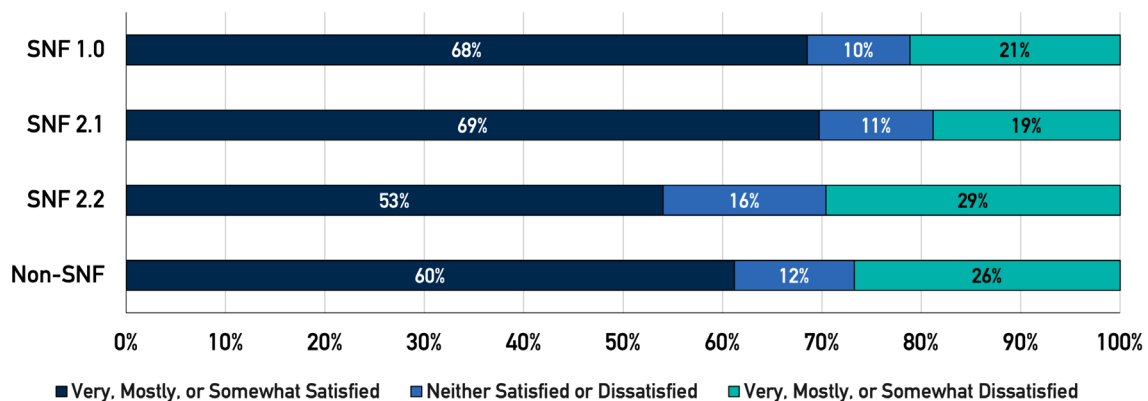
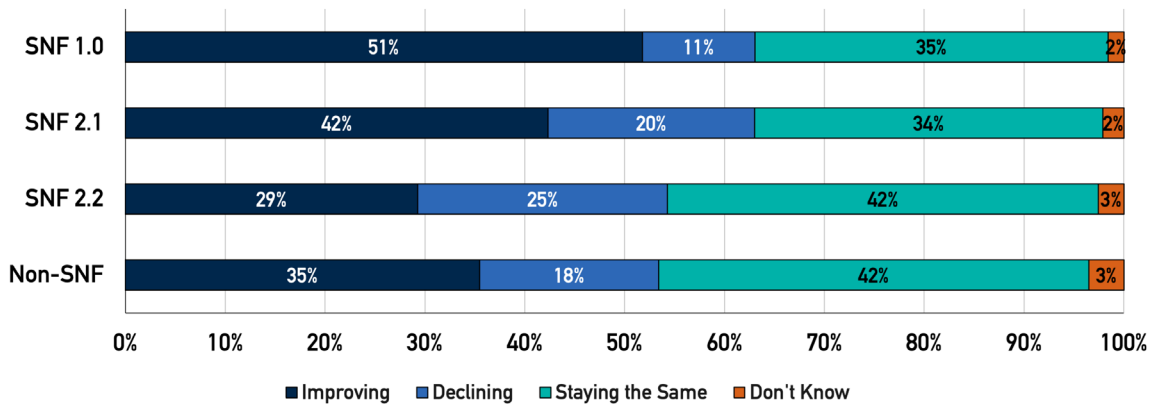
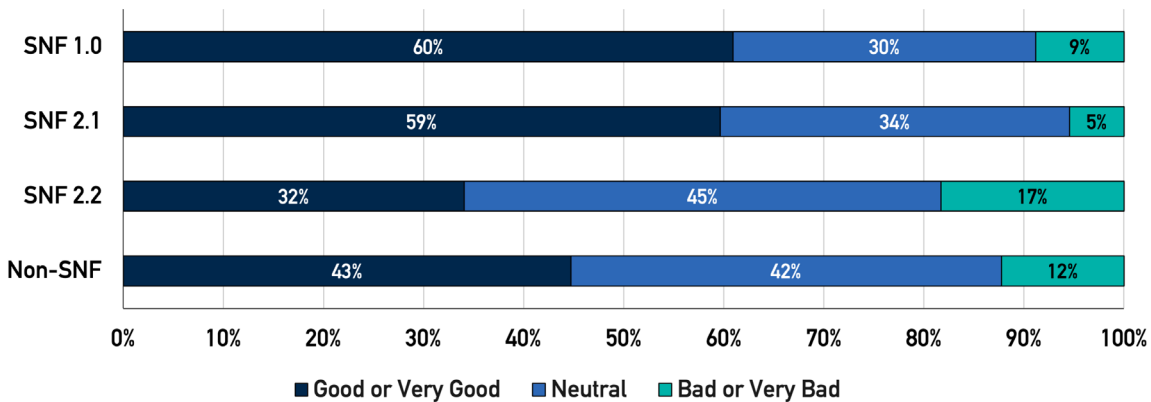


Figure 3: Neighborhood Quality of Life**Figure 4: Perceived Neighborhood Reputation**

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. Given this focus, it is interesting that residents of SNF 1.0 neighborhoods were significantly more likely than residents of non-SNF neighborhoods to express satisfaction with the condition of streets and sidewalks and with their access to local stores, though they did not express greater satisfaction with the availability of affordable housing or the quality of parks and playgrounds.⁸ More than half (53%) of residents of SNF 1.0 neighborhoods said they were very or somewhat satisfied with the condition of streets, sidewalks, and lighting compared to 48% of residents in SNF 2.1, 41% in SNF 2.2, and 41% in non-SNF neighborhoods. Similarly, 60% of residents of SNF 1.0 neighborhoods said they were satisfied with the availability of local shops, compared to 53% of residents of SNF 2.1

neighborhoods, 53% of residents of SNF 2.2 neighborhoods, and 46% of residents of non-SNF neighborhoods. Residents of SNF 1.0 neighborhoods were also significantly more likely to express satisfaction with the availability of public transportation, a notable departure from previous reports where these same residents were significantly less satisfied with public transit compared to residents of non-SNF neighborhoods. These differences may suggest the delayed impact of SNF investments on sentiments, especially in these neighborhoods where the initiative has been in its implementation phase for a longer period.

Another notable shift in this report that points to the potential positive outcome of SNF investments is that residents of SNF 2.2 neighborhoods, who in past reports have lagged behind residents of non-SNF neighborhoods in terms of their satisfaction with local amenities, are now as likely or more likely to express satisfaction. This shift is notable but not necessarily significant.

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



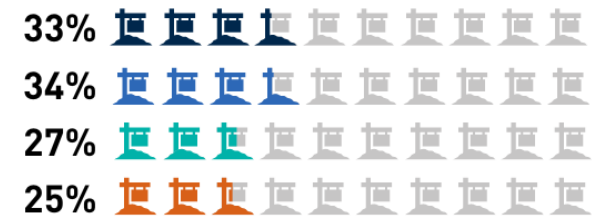
Public Facilities



Condition of Houses



Use of Vacant Lots



Public Transit



PERCEIVED CHANGE IN NEIGHBORHOOD ATTRACTIVENESS, POPULATION, AND BUSINESS PRESENCE

The pattern of stratification among resident groups observed in relation to general neighborhood satisfaction—with residents holding more positive sentiments in SNF 1.0 and 2.1 neighborhoods than non-SNF or SNF 2.2 neighborhoods—holds when considering how Detroiters perceive their neighborhoods to have changed over time. Considering patterns of population change (Figure 6), 54% of residents of SNF 2.1 neighborhoods said in 2023 they noticed more people moving into their neighborhood in the past year, significantly more than residents of non-SNF neighborhoods (41%) and slightly more than residents of SNF 1.0 neighborhoods (47%). At the same time, residents of SNF 2.2 neighborhoods were significantly more likely than other Detroiters to perceive that the population in their neighborhood had decreased (17%).

Turning to perceptions of business growth or decline in the year prior to summer 2023, residents of SNF 1.0 and 2.1 neighborhoods were significantly more likely than residents of

non-SNF or SNF 2.2 neighborhoods to report more businesses had opened in their neighborhoods. Fifty-six percent of residents of SNF 1.0 neighborhoods and 45% of residents of SNF 2.1 neighborhoods reported more businesses had opened than closed between 2022 and 2023, compared to 30% of residents of non-SNF neighborhoods and 28% of residents of SNF 2.2 neighborhoods. Among these latter groups, the most common perspective was that of stability, that there had been no change in business presence in their neighborhood in the past year (see Figure 7).

This sense of stability was also common in terms of perceptions of change in neighborhood appearance. While residents of SNF 1.0 neighborhoods were significantly more likely (42%) to perceive that their neighborhoods had grown more attractive over time compared to residents of non-SNF neighborhoods (29%), the most common perception among other residents was that neighborhood appearance hadn't changed. Residents of SNF 2.2 neighborhoods were the most likely to report the deteriorating appearance of their neighborhood. Twenty-seven percent of residents of SNF 2.2 neighborhoods reported their neighborhood had grown less attractive between 2022 and 2023 (Figure 8).

Figure 6: Perceived Change in Neighborhood Population

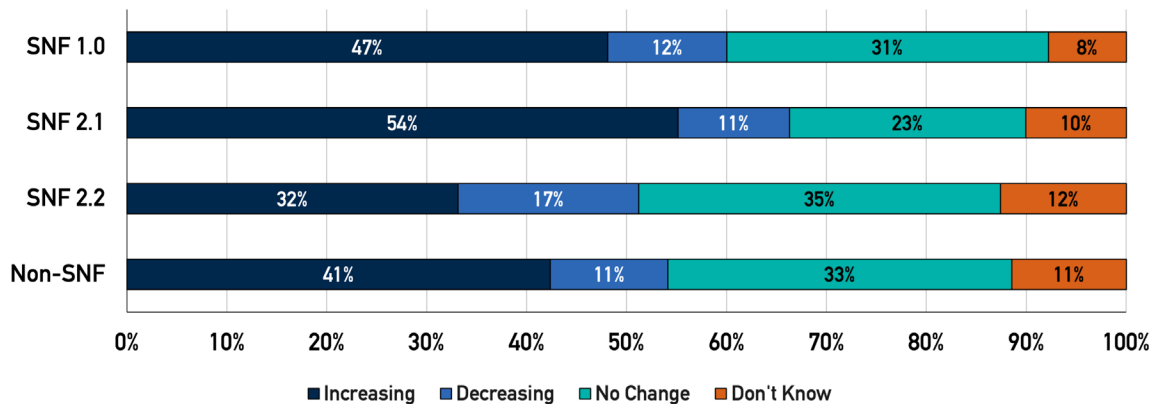


Figure 7: Perceived Change in Business Presence

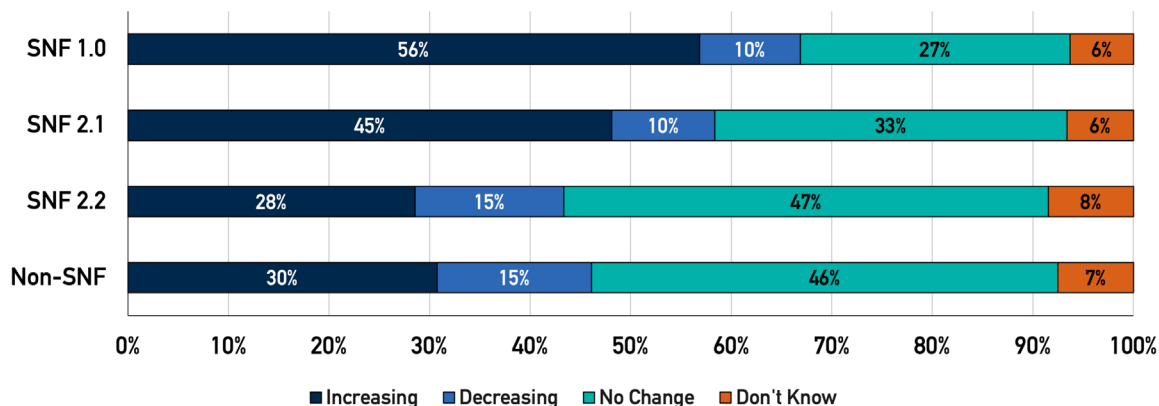
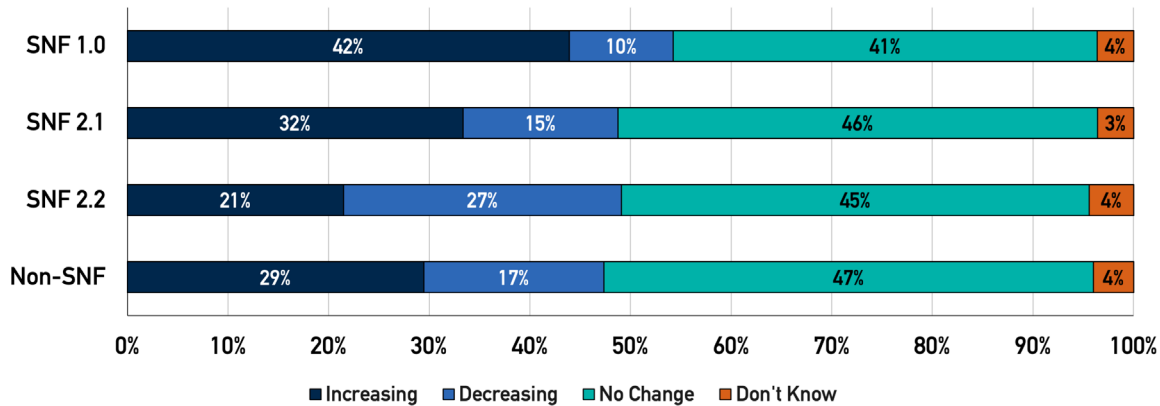


Figure 8: Perceived Change in Neighborhood Attractiveness

PERCEIVED CHANGE IN NEIGHBORHOOD RENT AND PROPERTY VALUES

Whereas in past reports the predominant perception among Detroit renters was that rent prices had remained stable, in 2023 the majority of renters reported their rents had increased. Sixty-five percent of renters reported their rent costs had risen since 2022 while just 2% said their rent had gone down and 30% reported no change in rent. As shown in Figure 9, this spike in rents was true across all neighborhood groups: 73% of residents in SNF 1.0 and 2.1 neighborhoods, 67% in non-SNF neighborhoods, and 59% in SNF 2.2 neighborhoods reported in 2023 their rents had gone up in the past year (these differences between neighborhoods were not significant). Less than 2% of residents in each neighborhood reported their rents had gone down.

Similarly, a growing proportion of homeowners reported rising property values. In 2023, 48% of Detroit property

owners overall reported their home's value had risen in the previous year, while 10% reported their property's value had gone down and 20% reported no change in value. Perhaps due to the shifting nature of the housing market caused by the COVID-19 pandemic, 22% of homeowners reported that they were unsure how their property value had changed. Residents of SNF neighborhoods were significantly more likely to report that their property values had risen. This was driven primarily by rising values in SNF 1.0 neighborhoods, where 58% of residents reported rising property values and only 17% reported their home values had dropped or not changed. This was significantly greater than the 42% of residents of non-SNF neighborhoods and 36% of residents of SNF 2.2 neighborhoods who reported increasing property values. As with other indicators of neighborhood change, residents of SNF 2.1 neighborhoods more closely resembled residents of SNF 1.0 neighborhoods: 51% reported their property value had risen while 30% reported their home values had dropped or not changed (Figure 10).

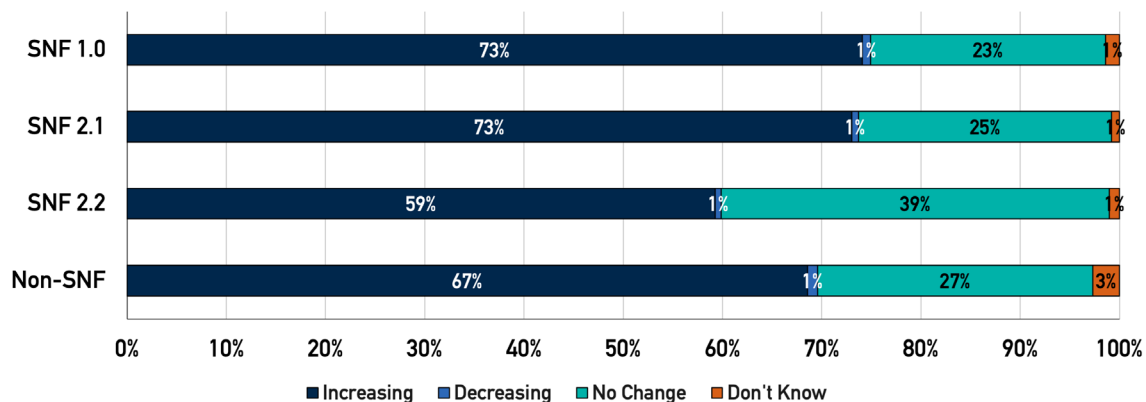
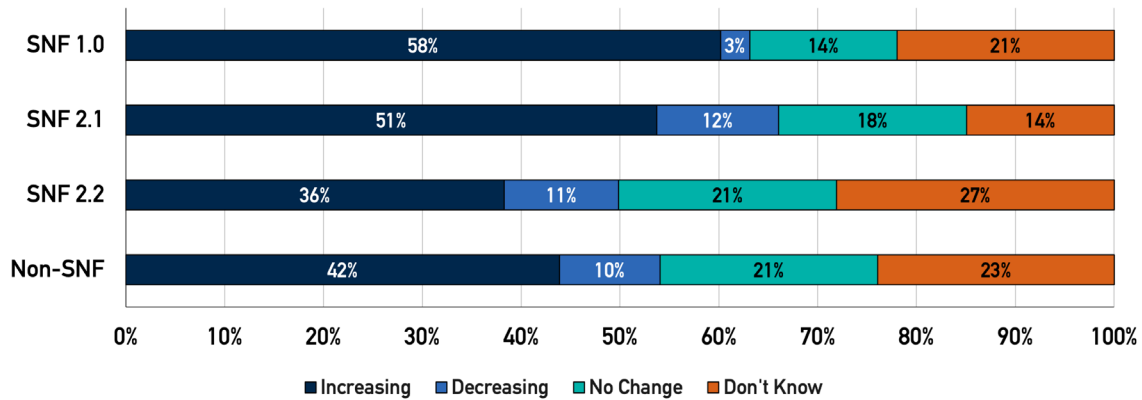
Figure 9: Perceived Change in Neighborhood Rent

Figure 10: Perceived Change in Neighborhood Property Values

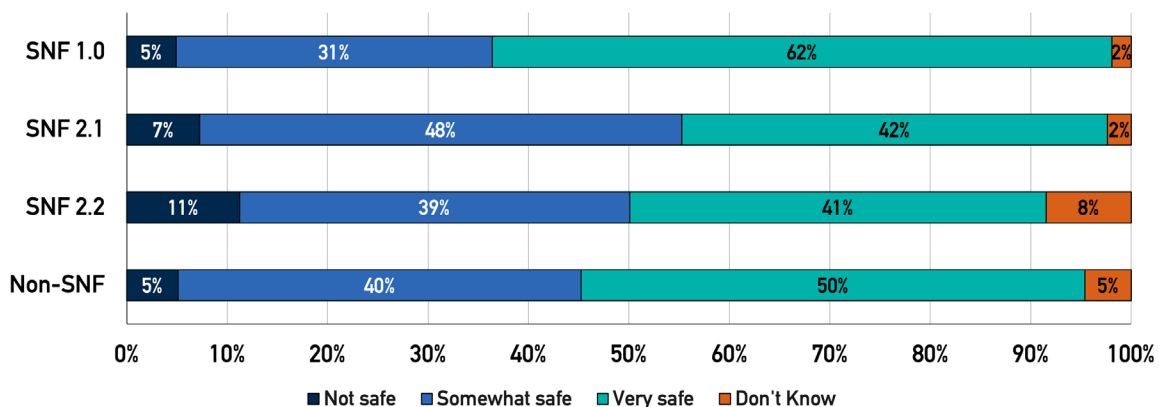
PERCEPTIONS OF NEIGHBORHOOD CRIME AND SAFETY

Safety is an ever-present issue among Detroiters and greatly affects how residents experience their neighborhoods, though it is not an area of focus for SNF investments. When it comes to assessing local safety, Detroit residents in general reported that they felt secure in their homes at night but less safe walking in their neighborhoods during the day. Half (49%) of Detroiters said they felt very safe in their homes at night, compared to 41% who said somewhat safe and 8% who said not safe. One-quarter (28%) of Detroiters said they felt very safe walking around their neighborhood during the day, while 48% said somewhat safe and 14% said not safe.

Perceptions of safety varied considerably between SNF neighborhoods. In SNF 1.0 neighborhoods, residents were significantly more likely to say they felt very safe in their homes and in their neighborhoods than other Detroiters. Per Figure 11, 62% of SNF 1.0 residents said they felt very safe in their homes at night compared to 50% of residents of non-SNF neighborhoods, 42% of residents of SNF 2.1 neighborhoods,

and 41% of residents of SNF 2.2 neighborhoods. What's more, 11% of residents of SNF 2.2 neighborhoods said they did not feel safe in their homes. Residents' sense of safety walking in their neighborhoods follows a similar pattern (graph not shown). Residents of SNF 1.0 neighborhoods were significantly more likely (35%) to say they felt very safe walking in their neighborhood compared to residents of SNF 2.1 (27%), non-SNF (26%), and SNF 2.2 neighborhoods (23%).

In terms of how safety has changed over time, few residents in 2023 detected meaningful change in neighborhood safety. Fifty-eight percent of Detroiters reported that safety in their neighborhood hadn't changed between 2022 and 2023, while 17% reported their neighborhood had gotten safer and 18% reported their neighborhood had gotten less safe. There was no significant variation in perceived change in neighborhood safety between SNF and non-SNF neighborhoods.

Figure 11: Feelings of Safety at Home at Night

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 17 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.

ACKNOWLEDGMENTS

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