Welcome to the Future:
Assessing Place-Based Economic, Social Equity, and Public Health Performance

Grand Rapids Chamber of Commerce
July 14, 2020
Overview

● **Key Insight: Place matters**
  ○ The 4\textsuperscript{th} level of governance
  ○ Grand Rapids NOW has data to measure its performance at the “place” level
  ○ Grand Rapids has 67 places that have vastly different performance outcomes
  ○ By measuring place-based performance today, Grand Rapids can better manage its future

● **Key Metrics: What we looked at in Grand Rapids**
  ○ **Economic Performance**
    ■ Place-based Gross Regional Product, real estate valuation, net fiscal impact
  ○ **Social Equity**
    ■ Household income for low income HHs, housing & transportation costs, displacement pressure
  ○ **Public Health**
    ■ Obesity, type 2 diabetes, hypertension, coronary heart disease
Methodology
Form/Function Matrix

<table>
<thead>
<tr>
<th>Economic Function</th>
<th>Previous Metro Area Studies</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Type I</strong></td>
<td></td>
</tr>
<tr>
<td>Walkup</td>
<td></td>
</tr>
<tr>
<td>REGIONALLY SIGNIFICANT</td>
<td></td>
</tr>
<tr>
<td>Walkable</td>
<td></td>
</tr>
<tr>
<td>Metro Area Avg: ≈1%</td>
<td></td>
</tr>
<tr>
<td><strong>Type II</strong></td>
<td></td>
</tr>
<tr>
<td>Neighborhood</td>
<td></td>
</tr>
<tr>
<td>LOCAL SERVING</td>
<td></td>
</tr>
<tr>
<td>NEIGHBORHOOD</td>
<td></td>
</tr>
<tr>
<td>Metro Area Avg: 2-6%</td>
<td></td>
</tr>
<tr>
<td><strong>Type III</strong></td>
<td></td>
</tr>
<tr>
<td>Drive-In</td>
<td></td>
</tr>
<tr>
<td>Land Use</td>
<td></td>
</tr>
<tr>
<td>Drivable</td>
<td></td>
</tr>
<tr>
<td>Metro Area Avg: 3-4%</td>
<td></td>
</tr>
<tr>
<td><strong>Type IV</strong></td>
<td></td>
</tr>
<tr>
<td>Sub-Division</td>
<td></td>
</tr>
<tr>
<td>Form</td>
<td></td>
</tr>
<tr>
<td>Metro Area Avg: 90-94%</td>
<td></td>
</tr>
</tbody>
</table>

Places Platform LLC Proprietary
The 67 Places of Grand Rapids

- **Walkable**
  - WALKUP City Acreage: 3%
  - NEIGHBORHOOD City Acreage: 16%

- **Drivable**
  - DRIVE-IN City Acreage: 22%
  - SUB-DIVISION City Acreage: 60%

Map showing the 4 Miles distance from Grandville Corridor to Mich. Oaks.
First-of-its-kind calculation of Grand Rapids’ Gross Regional Product (GRP): **$9.4 billion**

- **Type I: $3.25 billion**
  3% of land yields 35% of GRP
- **Type II: $1.15 billion**
  16% of land yields 12% of GRP
- **Type III: $4.03 billion**
  22% of land yields 44% of GRP
- **Type IV: $0.81 billion**
  60% of land yields 9% of GRP
Real Estate Valuation & Market Share Performance

Share of total market value by FORM/FUNCTION TYPE

Share of total market value by REAL ESTATE PRODUCT

Market Share (MS) Gain FOR TYPE I & III

- **Great Recession**: Type I gained MS >2.5X faster than 2006 base while Type III lost MS
- **2010-2019 Recovery**: Type I gained MS >2.5X faster than 2010 base while Type III would have had to double absorption to maintain 2010 MS
Social Equity
Household Income, Housing & Transportation, & Displacement Risk

Median Household Income

Housing & Transportation Costs for Low Income Households

Future Investment Opportunity and Displacement Risk
Public Health

Summary of mean population-weighted health indicators by type for adults (>= 18 years of age).

<table>
<thead>
<tr>
<th>Health Outcome</th>
<th>Grand Rapids</th>
<th>Type I</th>
<th>Type II</th>
<th>Type III</th>
<th>Type IV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Obesity</td>
<td>33.1%</td>
<td>32.8%</td>
<td>34.5%</td>
<td>34.8%</td>
<td>31.7%</td>
</tr>
<tr>
<td>Type 2 diabetes</td>
<td>7.6%</td>
<td>6.4%</td>
<td>6.5%</td>
<td>8.7%</td>
<td>7.8%</td>
</tr>
<tr>
<td>Hypertension</td>
<td>30.4%</td>
<td>26.9%</td>
<td>27.0%</td>
<td>32.4%</td>
<td>31.8%</td>
</tr>
<tr>
<td>Heart disease</td>
<td>5.6%</td>
<td>5.2%</td>
<td>4.5%</td>
<td>5.7%</td>
<td>6.2%</td>
</tr>
</tbody>
</table>


**Type I** tends to indicate the most positive health outcomes...lower than the City-wide population weighted averages.

**Type II** areas also show similarly positive levels of health with the exception of the percentage of adults with obesity.

**Type III** areas perform the worse on every indicator.

**Type IV** does slightly better than Type III overall.
Public Health
What about COVID-19? (It’s too early to tell)

However, from a recent Johns Hopkins University study of 913 US metropolitan counties:

“…We find that density is not linked to rates of COVID-19 infection, after controlling for metropolitan area population, socioeconomics, and health care infrastructure in U.S. counties.

“…We find that COVID-19 death rates are lower in denser counties and higher in less dense counties, at a high level of statistical significance.”

Introduction to Net Fiscal Impact
Comparative development patterns for the same population

Net Fiscal Impact
Costs vary with development pattern

Delivering services is less efficient when development is spread out:

• Police and fire departments have more area to cover.
• More miles of road to cover for trash pickup, school buses.
• More miles of water and sewer pipes to maintain.
Net Fiscal Impact
Results Overview

- Type I outperforms all types, both in the aggregate and on a per person basis
- Types I & III demonstrate the best fiscal performance
- Type IV is subsidized by other land use types
Net Fiscal Impact by Place

$31,692,112
# Net Fiscal Impact

Four case studies

<table>
<thead>
<tr>
<th>Type I: Heartside</th>
<th>Fiscal Impact: $11,134,833</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type II: Westside Corridor</td>
<td>Fiscal Impact: $848,110</td>
</tr>
<tr>
<td>Type III: Southtown Corridor</td>
<td>Fiscal Impact: $1,741,475</td>
</tr>
<tr>
<td>Type IV: Northend</td>
<td>Fiscal Impact: -$509,680</td>
</tr>
</tbody>
</table>
Conclusions & Next Steps: Towards place-based management for Grand Rapids

● Preliminary Conclusions (final detailed report to be delivered July 24)
  ○ Type I is the most efficient place types in Grand Rapids
  ○ Type IV is being subsidized by all other place types
  ○ Place management can enhance economic performance and improve social equity and public health outcomes
  ○ You must measure to manage

● Potential Next Steps
  ○ Analyze the potential long-term economic, social, and public health impacts of anchor institution investments (e.g., Spectrum Health, Grand Valley State University) on Grand Rapids’ future development
  ○ Evaluate major infrastructure investments (e.g., current and future BRT lines) on GRP, real estate valuations, net fiscal impact, social equity and public health
  ○ Develop a five-year strategy for place management organizations to assess and manage economic, social equity, and public health impacts.
  ○ Expand analysis to Grand Rapids’ metropolitan area, especially for COVID assessment and future economic recovery
Thank you

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