

Neighborhood Economic Risk Assessment

City of Las Vegas

Q2 2013



What is the Neighborhood Risk Index?



APPLIED
ANALYSIS



Neighborhood Economic Risk Assessment

Q2 2013

WHAT

- Identifies zip codes within the City at a heightened risk for long-term instability

HOW

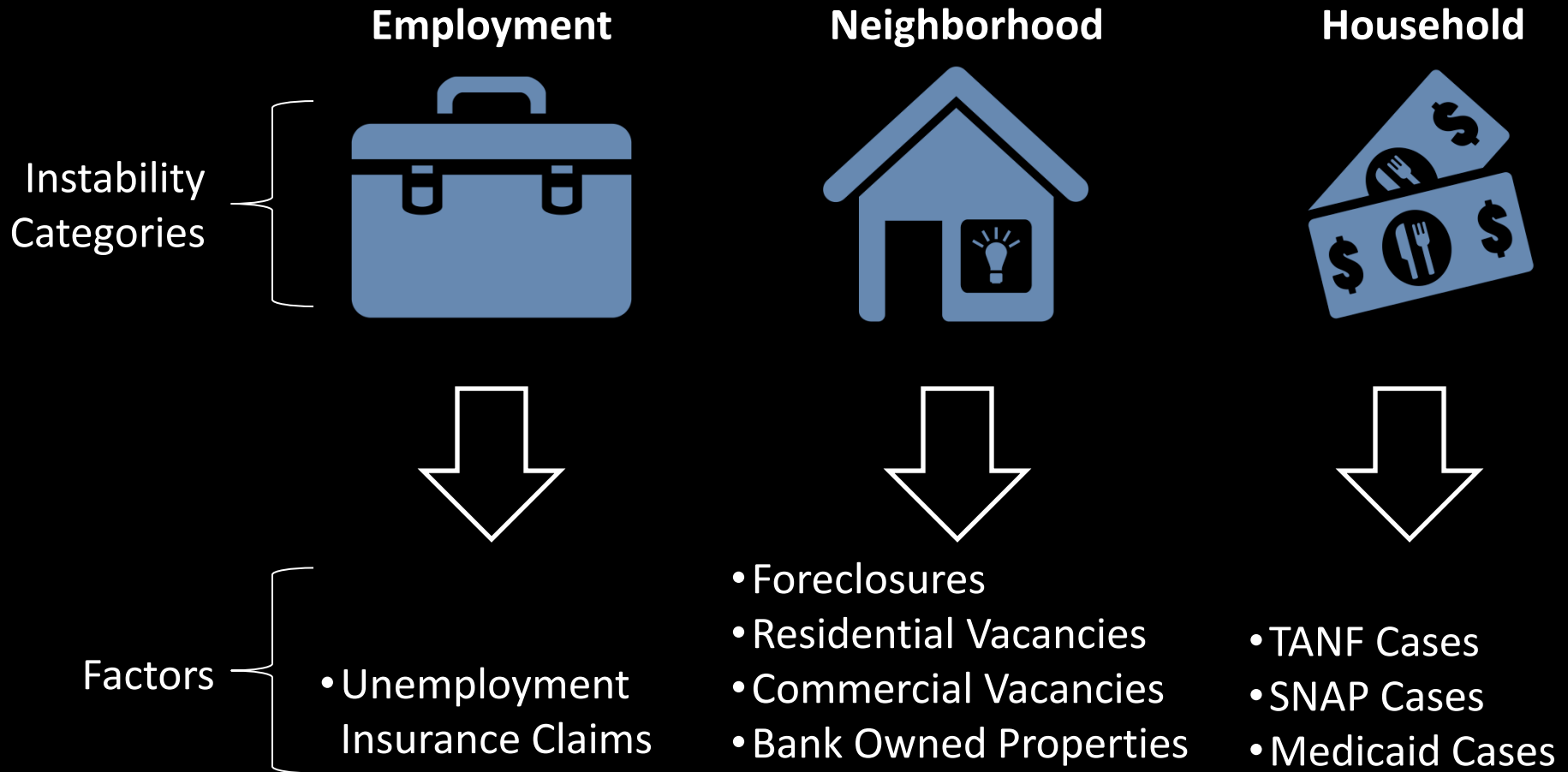
- Identify risk categories and decompose them into factors
- Create weights and common sizing for the factors
- Calculate a mathematical composition of the area's risk and size as measured by occupied housing units

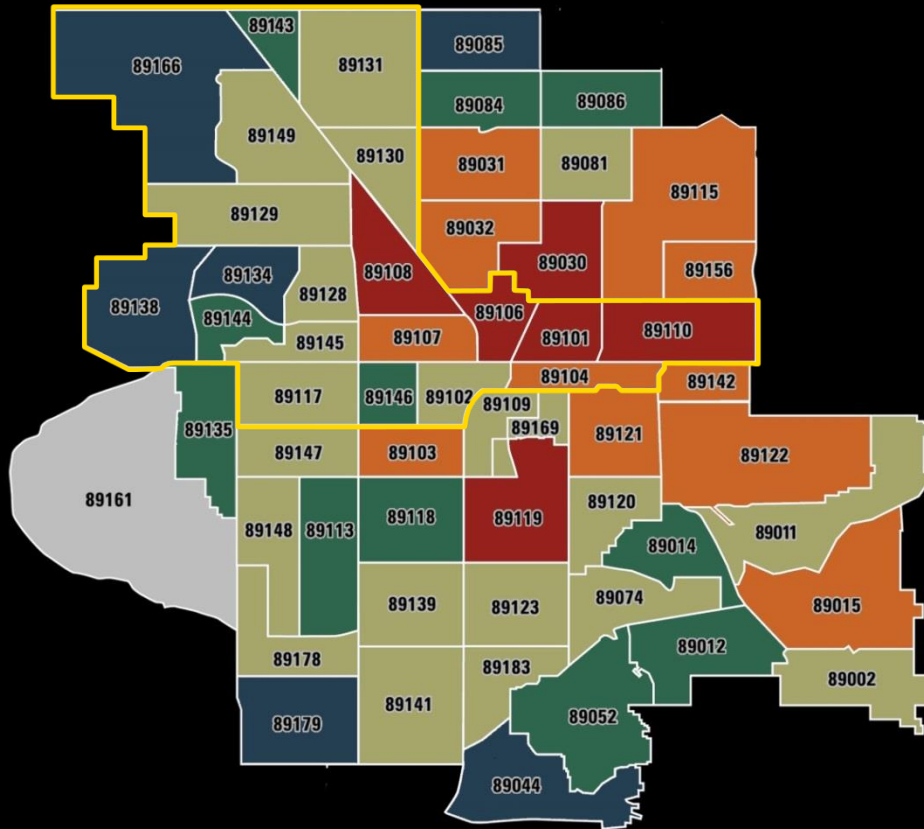
WHY

- By identifying zip codes that are at the greatest risk for instability and encompass the most occupied housing units, the City can direct resources to where they can do the greatest good for the greatest number of people

Identifying Instability

Risk Categories and Factors





- Low
- Medium-Low
- Medium
- Medium-High
- High

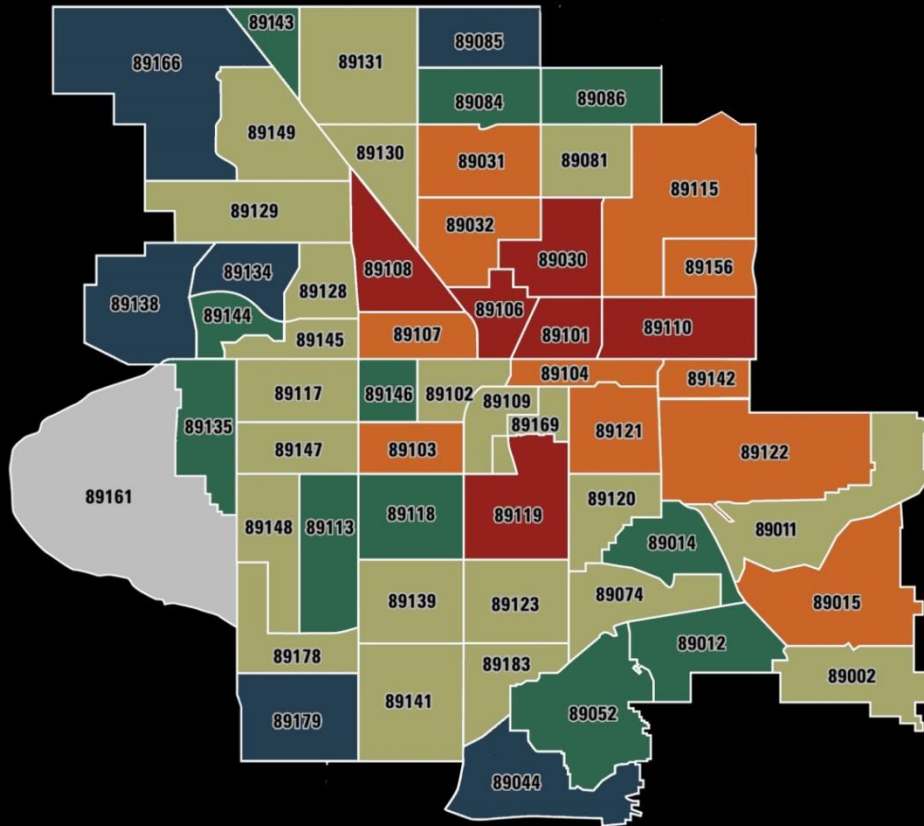
City of Las Vegas zip codes in **bold/underlined**

Increasing Severity ↑

		89002		
		89011		
		89074		
		89081		
		<u>89102</u>		
		89109		
		<u>89117</u>		
		89120		
		89123		
		<u>89128</u>		
		<u>89129</u>		
	89015	<u>89130</u>	89012	
	89031	<u>89131</u>	89014	
	89032	89139	89052	
	89103	89141	89084	
	<u>89104</u>	<u>89145</u>	89086	
89030	<u>89107</u>	89147	89113	89044
<u>89101</u>	89115	89148	89118	89085
<u>89106</u>	89121	<u>89149</u>	89135	<u>89134</u>
<u>89108</u>	89122	89169	<u>89143</u>	<u>89138</u>
<u>89110</u>	89142	89178	<u>89144</u>	<u>89166</u>
<u>89119</u>	89156	89183	<u>89146</u>	89179
High	Medium-High	Medium	Medium-Low	Low

Summary

Valley-wide NRI



- Low
- Medium-Low
- Medium
- Medium-High
- High

City of Las Vegas zip codes in **bold/underlined**

Increasing Severity

		89002		
		89011		
		89074		
		89081		
		<u>89102</u>		
		89109		
		<u>89117</u>		
		89120		
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High	Medium-High	Medium	Medium-Low	Low

**A relative level of risk was
assigned to each zip code
for all risk factors.**



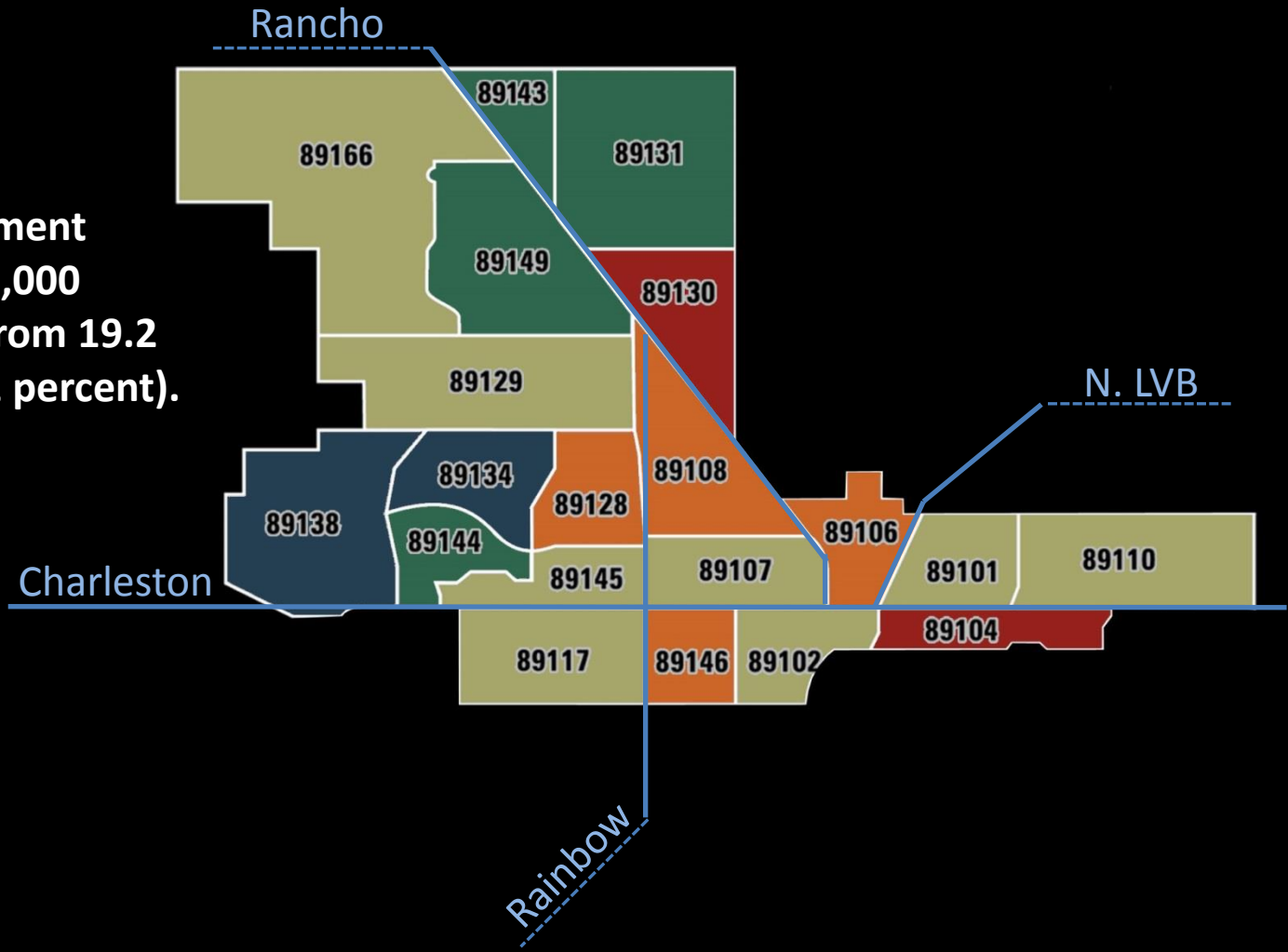


Employment
Instability

Elements of the NRI

Unemployment Insurance | CLV Distribution Map

The rate of unemployment insurance claims per 1,000 residents fell to 18.0 from 19.2 last quarter (down 6.2 percent).



- Low
- Medium-Low
- Medium
- Medium-High
- High

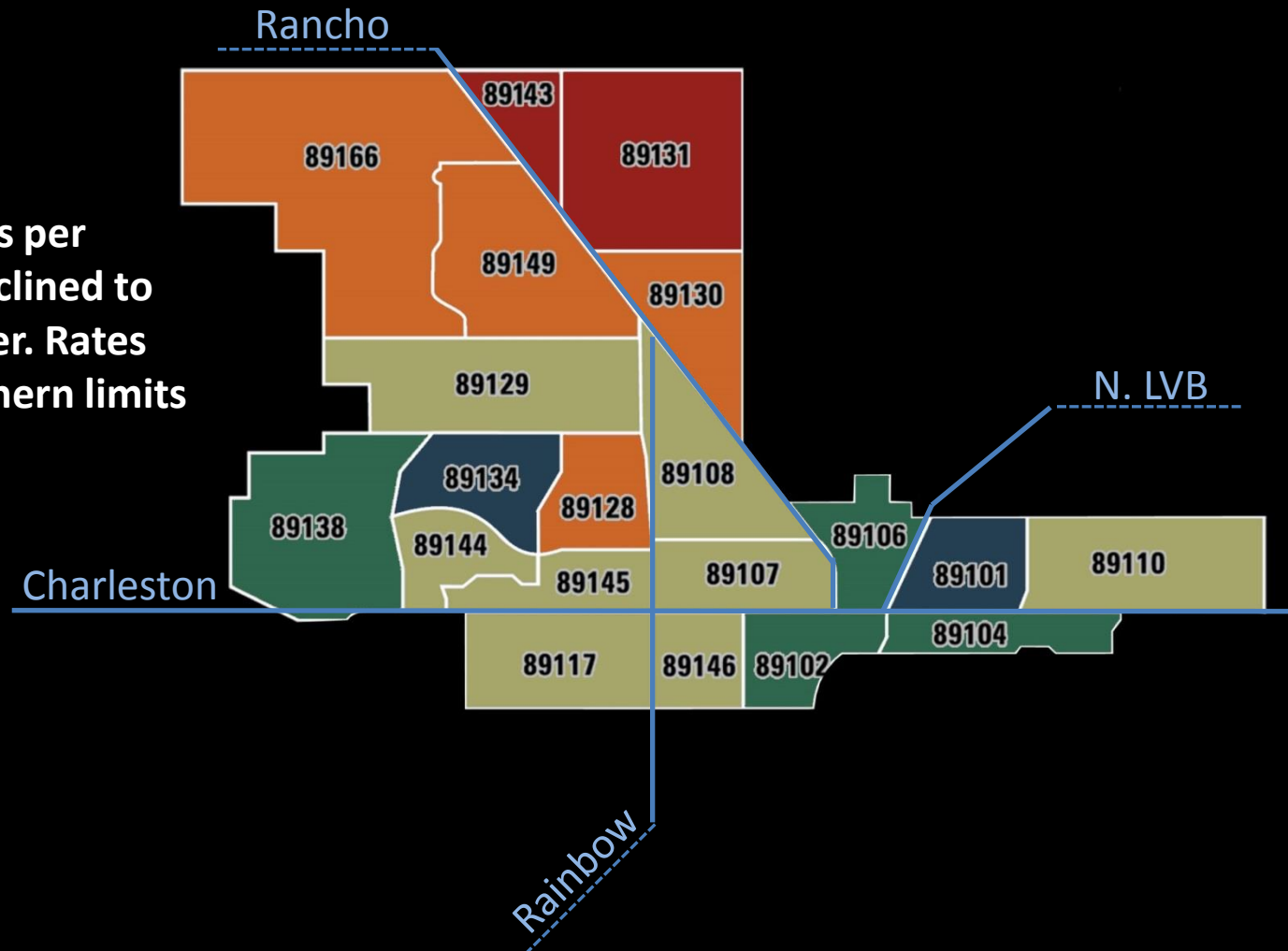


Neighborhood
Instability

The rate of foreclosures per 1,000 housing units declined to 4.3 from 4.6 last quarter. Rates are highest in the northern limits of the city.

Elements of the NRI

Foreclosures | CLV Distribution Map



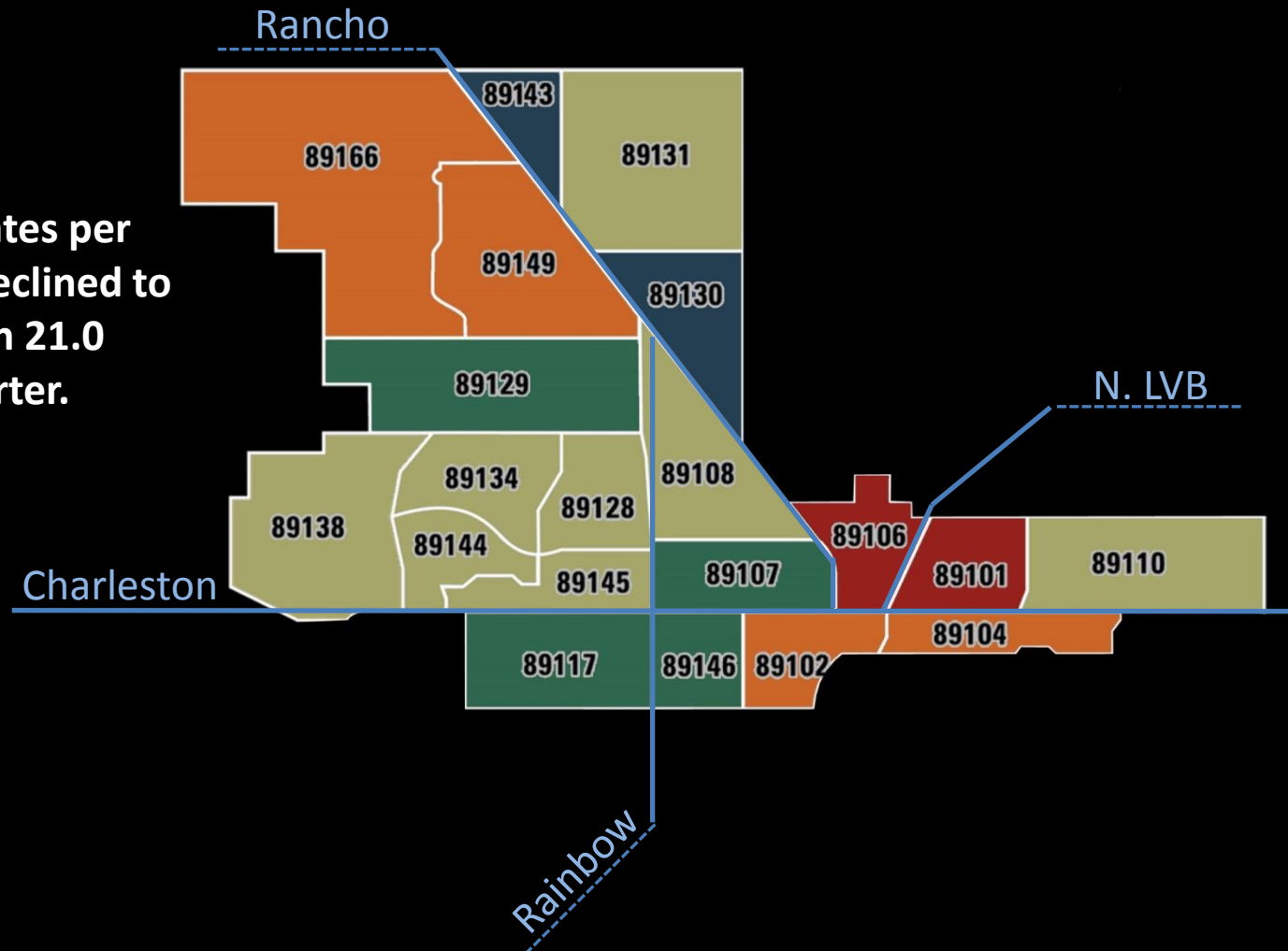


Neighborhood
Instability

Elements of the NRI

Residential Vacancy | CLV Distribution Map

Residential vacancy rates per 1,000 housing units declined to 90.3 from 114.3, down 21.0 percent from last quarter.



- Low
- Medium-Low
- Medium
- Medium-High
- High

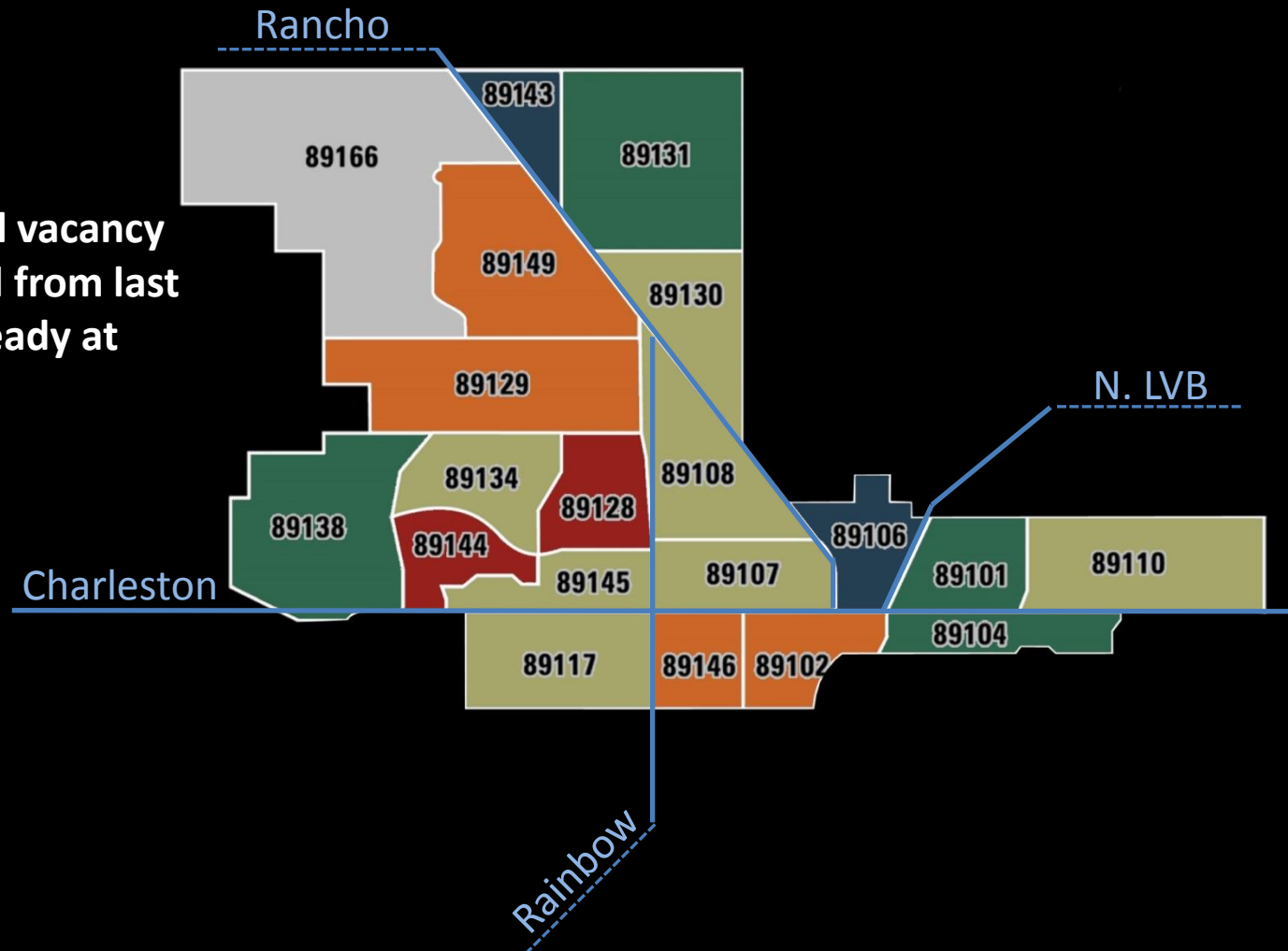


Neighborhood
Instability

Elements of the NRI

Commercial Vacancy | CLV Distribution Map

City-wide, commercial vacancy rates were unchanged from last quarter, remaining steady at 15.9 percent.



- Low
- Medium-Low
- Medium
- Medium-High
- High

Note: Zip codes in grey do not contain material commercial space.

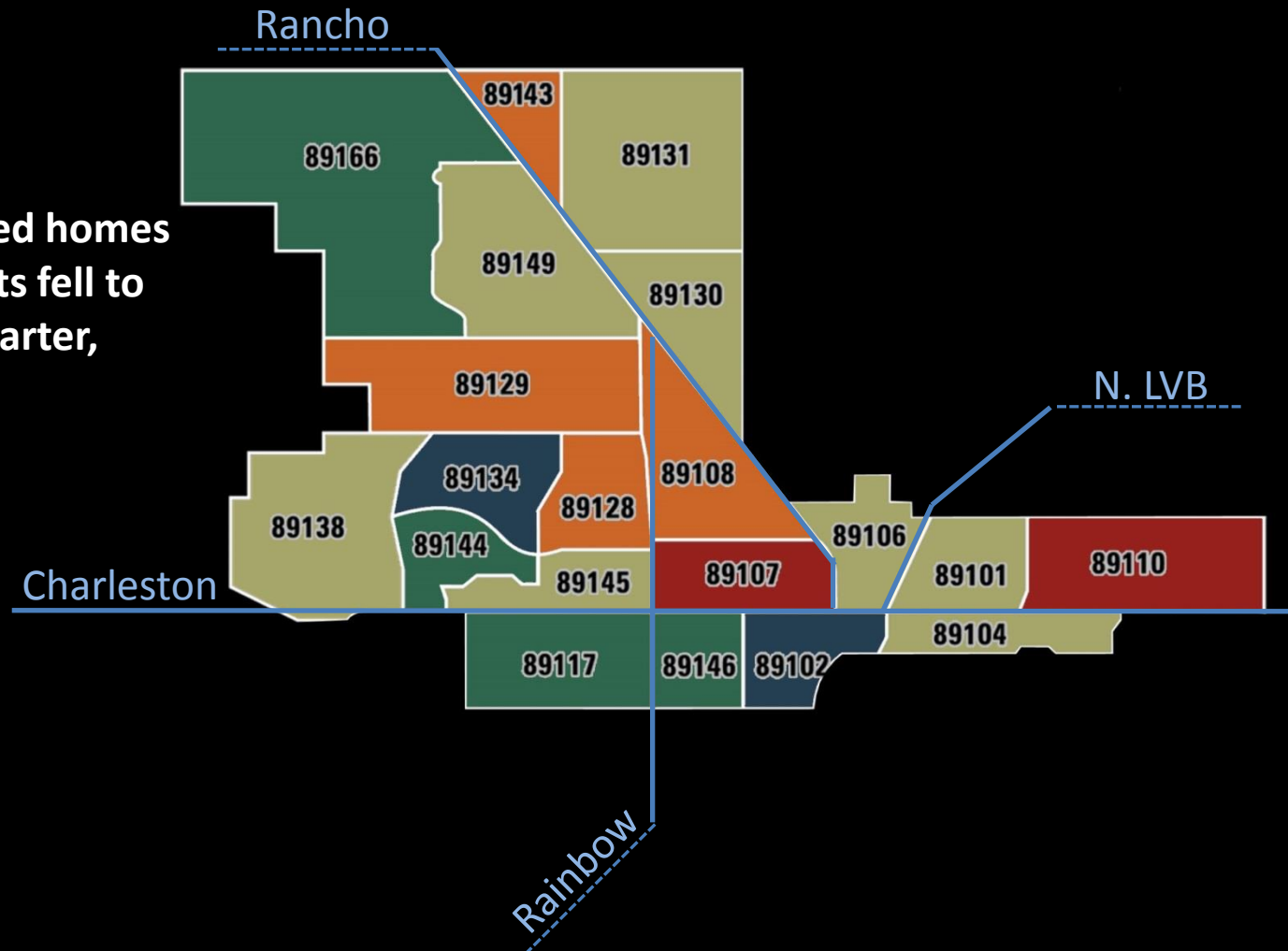


Neighborhood
Instability

Elements of the NRI

Bank Owned Homes | CLV Distribution Map

The rate of bank owned homes per 1,000 housing units fell to 12.6 from 13.7 last quarter, down 7.4 percent.



- Low
- Medium-Low
- Medium
- Medium-High
- High

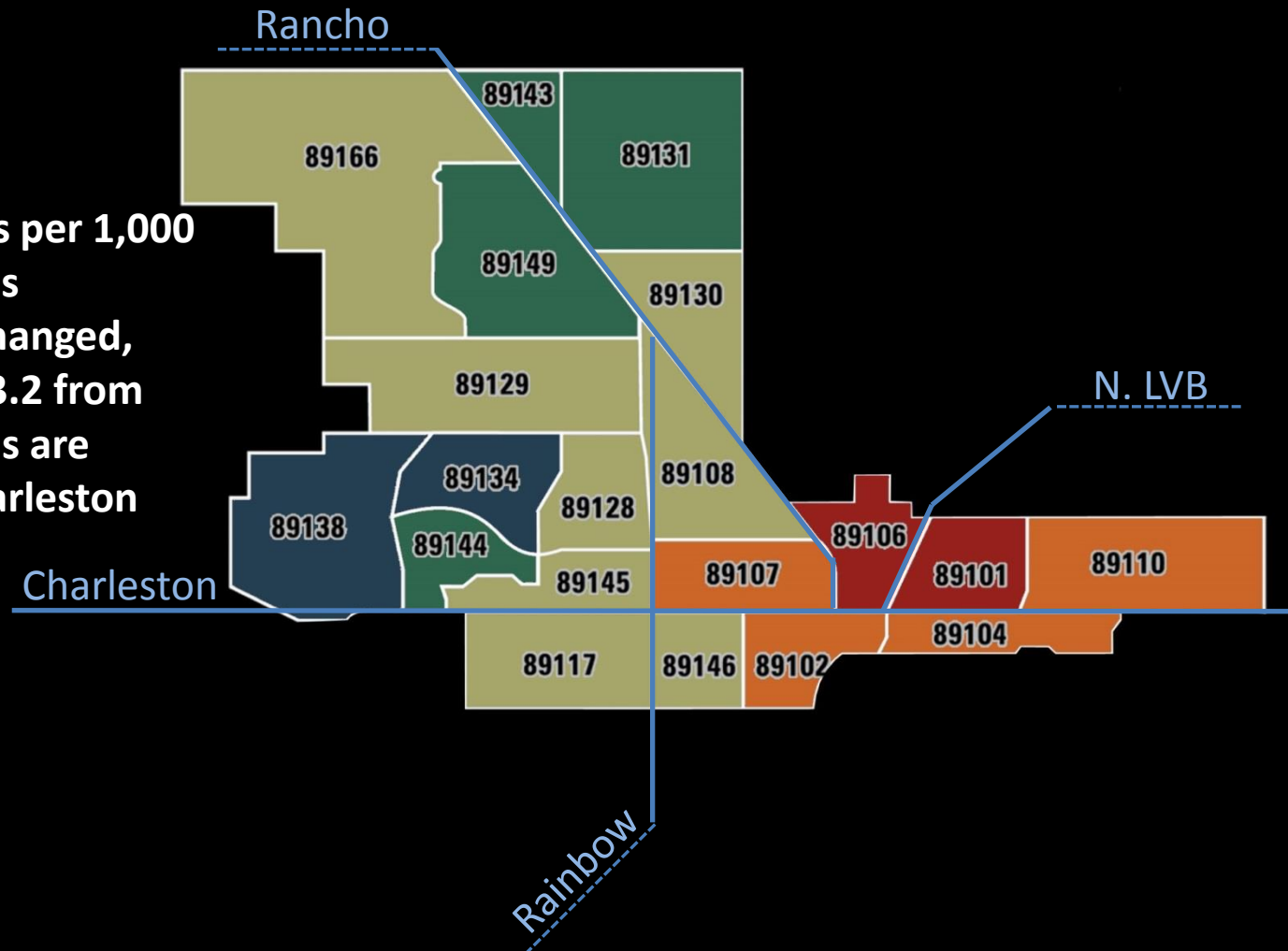


Household
Instability

Elements of the NRI

TANF | CLV Distribution Map

The rate of TANF cases per 1,000 occupied housing units remained mostly unchanged, with rates falling to 13.2 from 13.3 last quarter. Rates are highest along East Charleston Boulevard.



- Low
- Medium-Low
- Medium
- Medium-High
- High



APPLIED
ANALYSIS



Neighborhood Economic Risk Assessment

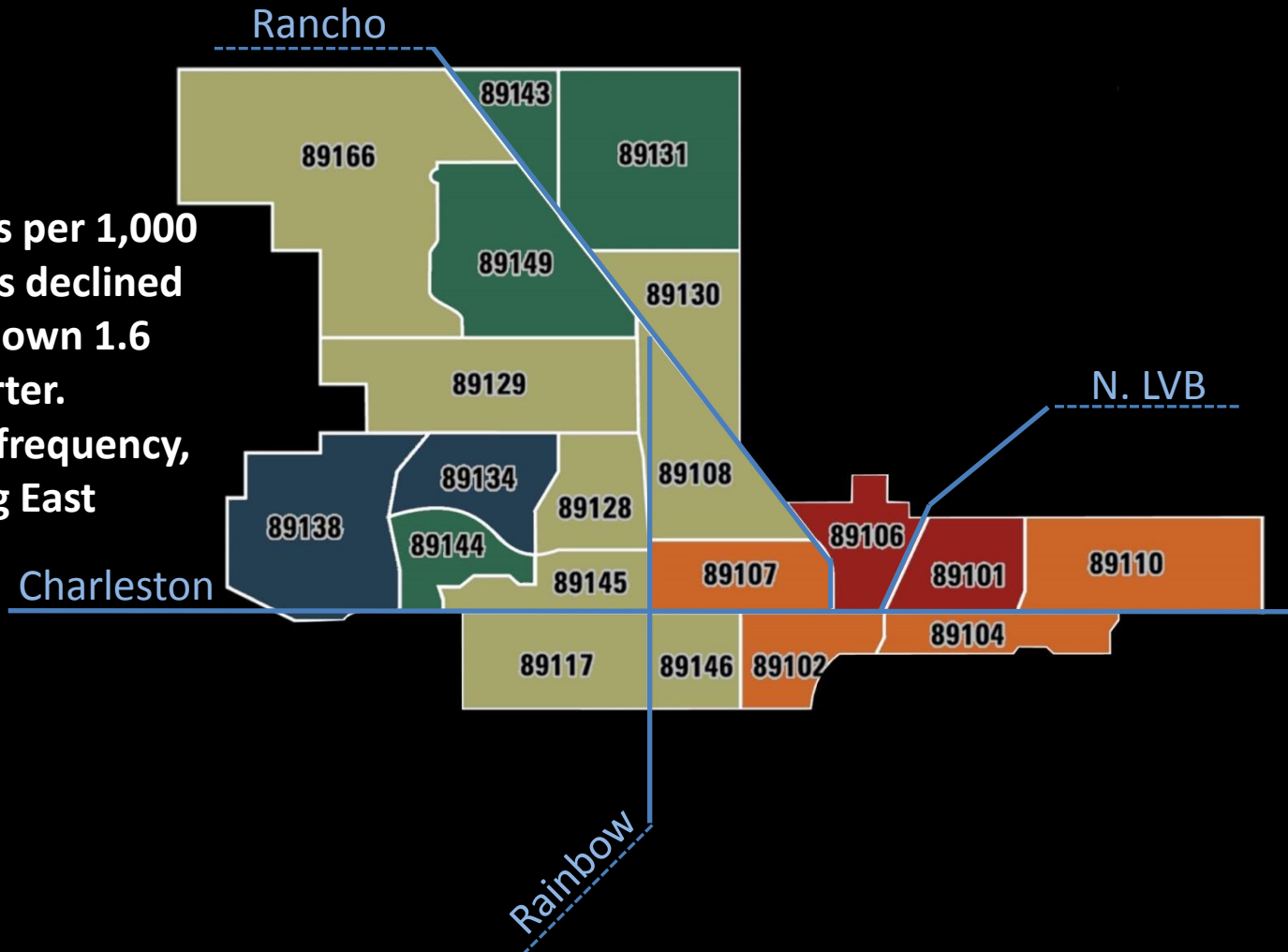
Q2 2013



Household
Instability

Elements of the NRI SNAP| CLV Distribution Map

The rate of SNAP cases per 1,000 occupied housing units declined to 206.3 from 209.6, down 1.6 percent from last quarter. Consistent with TANF frequency, rates are highest along East Charleston Boulevard.



- Low
- Medium-Low
- Medium
- Medium-High
- High

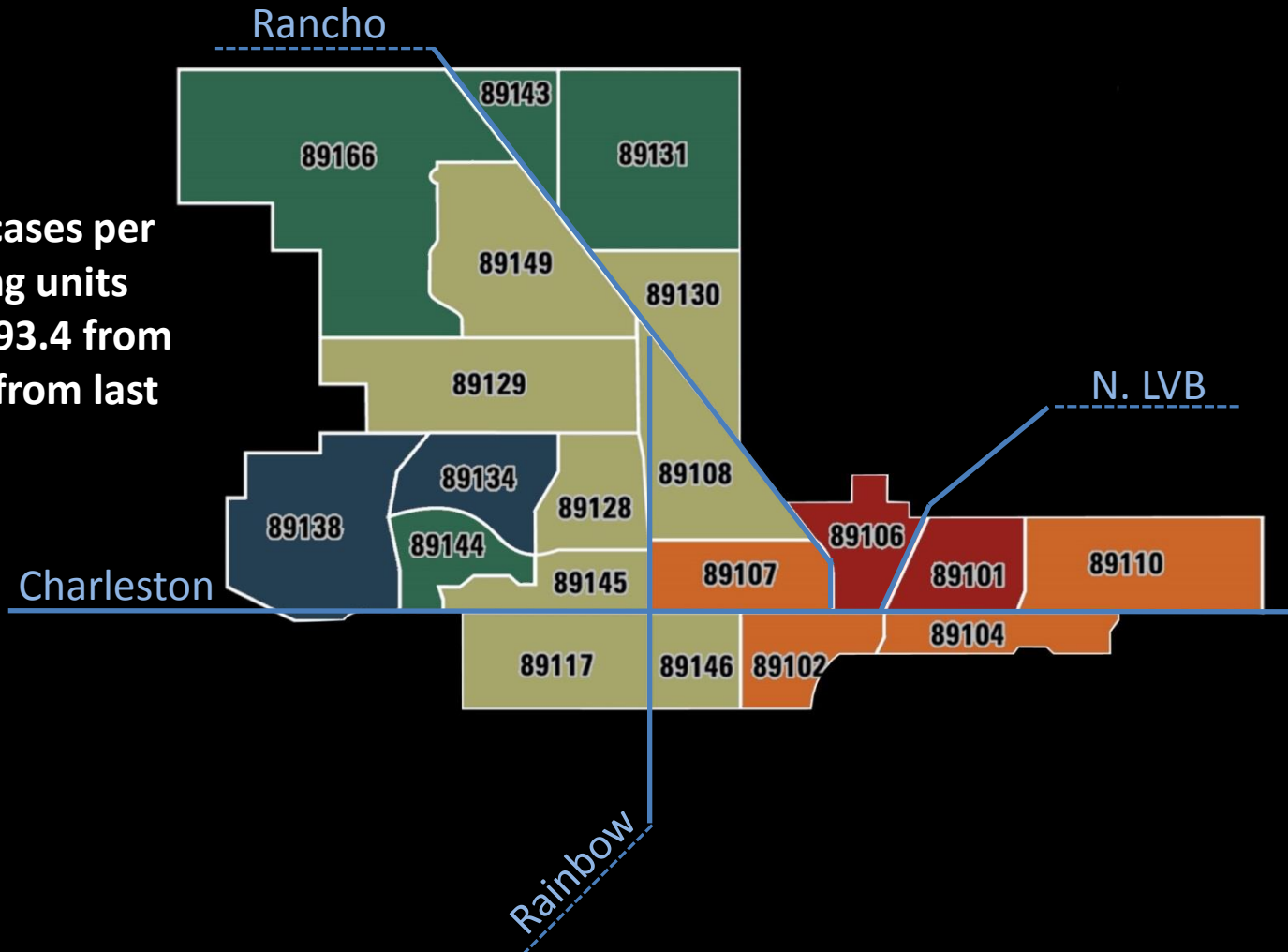


Household
Instability

Elements of the NRI

Medicaid| CLV Distribution Map

The rate of Medicaid cases per 1,000 occupied housing units increased slightly to 193.4 from 192.2, up 0.6 percent from last quarter.



**Next, risk factors are
combined to create a
Composite Risk Index.**



**The Composite Risk Index
assigns a weight to each
risk factor.**



Elements of the NRI

Weights and Composite Risk

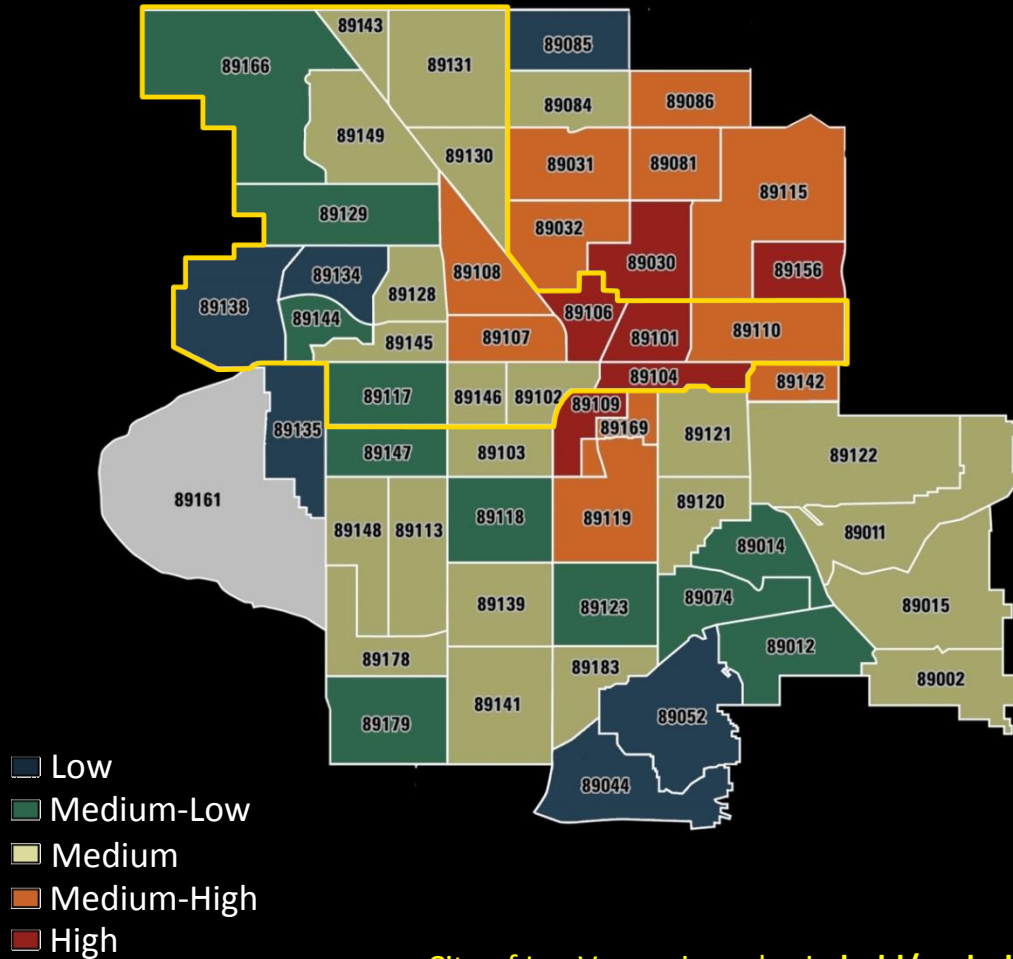
Category	Category Weight	Index Factor	Factor Weight
 Household Instability	25%	TANF	8.3%
		Medicaid	8.3%
		SNAP	8.3%
 Employment Instability	25%	Unemployment Insurance Claims	25.0%
		Foreclosures	25.0%
 Neighborhood Instability	50%	Residential Vacancy	8.3%
		Commercial Vacancy	8.3%
		Bank Owned Properties	8.3%

Not all factors are assumed to be equally important; modeling allows the City to weight factors based on their relative impact or policy objectives.

Elements of the NRI

Composite Risk | Valley-wide Distribution Map

City of Las Vegas



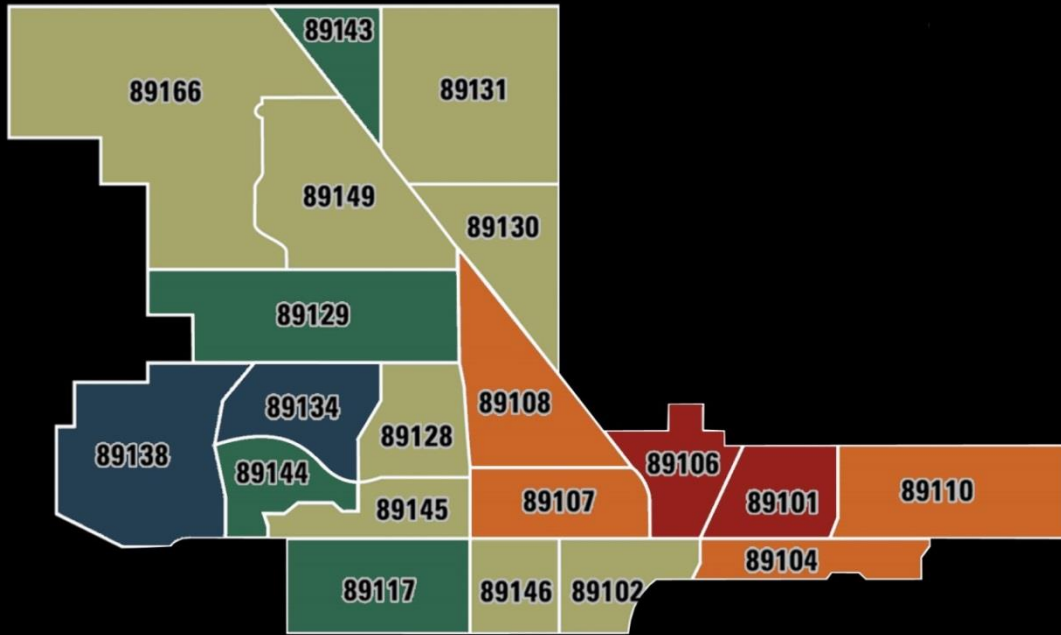
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Increasing Severity ↑

		89002		
		89011		
		89015		
		89084		
		<u>89102</u>		
		89103		
		89113		
		89120		
		89121		
		89122		
		<u>89128</u>		
	89031	<u>89130</u>	89012	
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Elements of the NRI

Composite Risk | CLV Distribution Map



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- Medium
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- High

Increasing Severity ↑

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		89128		
		89130		
		89131		
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APPLIED ANALYSIS

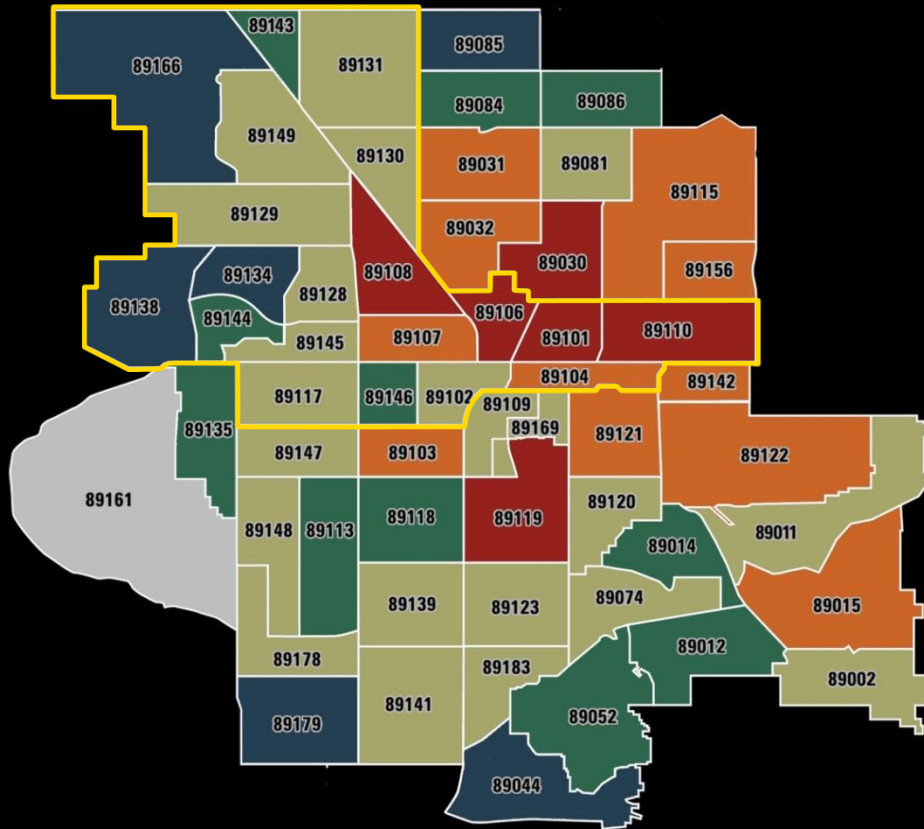


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**Finally, to create the
Neighborhood Risk Index,
the Composite Risk is
weighted by occupied
housing units.**

Zip codes with the highest risk and highest number of occupied housing units can be found and targeted.



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- Medium
- Medium-High
- High

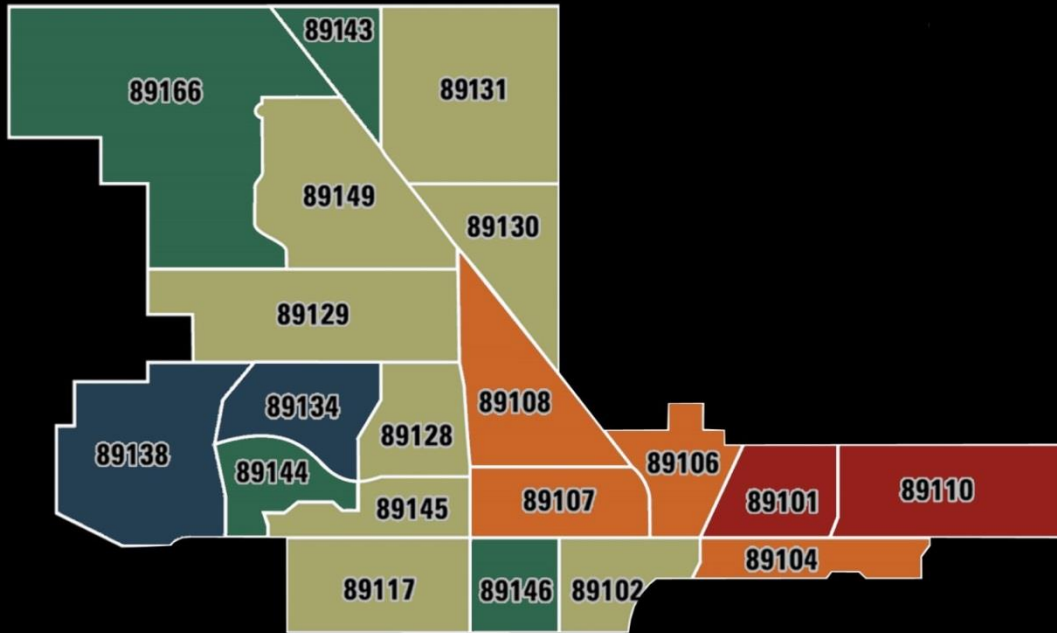
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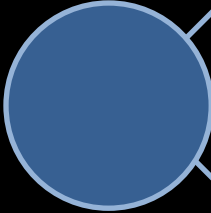
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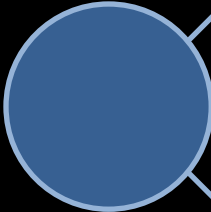
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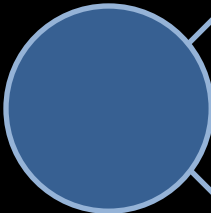
City of Las Vegas NRI



89101 and 89110 are considered “high-risk” zip codes.



The rates of TANF, Medicaid and SNAP cases are significantly higher in these high-risk zip codes compared to the City (and valley-wide) averages.



Generally, risk in the City of Las Vegas is heavily concentrated along East Charleston Boulevard.

Neighborhood Economic Risk Assessment

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