

HOW NEIGHBORHOODS HELP NEW YORKERS GET AHEAD

FINDINGS FROM THE COLLABORATIVE
FOR NEIGHBORHOOD FINANCIAL HEALTH



HOW NEIGHBORHOODS HELP NEW YORKERS GET AHEAD: Findings from the Collaborative for Neighborhood Financial Health

Bill de Blasio
Mayor

Lorelei Salas
Commissioner

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ACRONYMS

BSRC	Bedford-Stuyvesant Restoration Corporation
CBO	Community-Based Organization
CD	Community District
Center	NYC Financial Empowerment Center
CFPB	Consumer Financial Protection Bureau
CFSI	Center for Financial Services Innovation
CNFH	Collaborative for Neighborhood Financial Health
DCA	Department of Consumer Affairs
DCP	Department of City Planning
DOHMH	Department of Health and Mental Hygiene
HPD	Department of Housing Preservation & Development
LESPFCU	Lower East Side People's Federal Credit Union
Mayor's Fund	Mayor's Fund to Advance New York City
NFH	Neighborhood Financial Health
NYCHA	New York City Housing Authority
OFE	Office of Financial Empowerment
PUMA	U.S. Census Public Use Microdata Area
RFP	Request for Proposals
WHO	World Health Organization

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MESSAGE FROM COMMISSIONER LORELEI SALAS

Building financial health is at the core of the Department of Consumer Affairs' (DCA) new mission: to protect and enhance the daily economic lives of New Yorkers to create thriving communities. With household debt and income volatility on the rise, our interventions must rapidly escalate to counteract the growing financial stress that the average American faces. Over the last decade, DCA's Office of Financial Empowerment (OFE) has helped more than 50,000 New York City residents build their financial health through our Financial Empowerment Centers, and hundreds of thousands more through our partnerships to provide free tax preparation and safe and affordable financial products. Yet, one-on-one counseling does not address systemic issues within an individual's neighborhood that may be impacting that individual's financial health. The granular data we obtained through our Financial Empowerment Centers over the years and an analysis of this data by ZIP Code show patterns within neighborhoods that merit further study and provide guidance as we align our resources to respond to the most urgent needs of our communities.

To elevate our work to the next level, we must dedicate resources to invest in and experiment with neighborhoodwide strategies that will help lift New Yorkers out of poverty. While we see that neighborhoods struggle to build up the individual financial health of residents from every economic background, there is tremendous potential for these economic and social actors to positively influence the long-term financial outcomes for residents. The Collaborative for Neighborhood Financial Health project implemented strategies chosen by residents in two neighborhoods to address everyday structural challenges that put their entire communities at a financial disadvantage. Financial health can no longer be measured just by looking at an individual client's progress—we have to *build neighborhoods that build assets and empower their residents*.

OFE has undertaken the Collaborative for Neighborhood Financial Health project with the support of our collaborators at the Mayor's Fund to Advance New York City and the Citi Foundation. Together with our partners the New Economy Project and Bedford-Stuyvesant Restoration Corporation, we are scaling up our efforts to improve the financial health of individual New Yorkers to reach entire New York City neighborhoods and cement strong ongoing collaborations among OFE, other City agencies, community-based organizations, residents, and stakeholders.

This project can only succeed if it is fed by the knowledge and lived experience of community members, neighborhood stakeholders, and field experts. We are grateful to the many residents in East Harlem and Bedford-Stuyvesant who participated in interviews, community workshops, and pilot interventions. Their insights and contributions guided the Collaborative's work and will be crucial to furthering their collective economic well-being as we explore a new frontier in financial health.

Sincerely,



EXECUTIVE SUMMARY

Throughout a decade of work advancing strategies to improve the financial health and well-being of New Yorkers with low and moderate incomes, the Office of Financial Empowerment (OFE) within the NYC Department of Consumer Affairs (DCA) has consistently identified systemic issues within neighborhoods that are often at the core of an individual's financial health challenges, but that cannot be addressed through individual financial health interventions alone. The structural and place-based impediments to financial empowerment that OFE has identified are, in many ways, beyond the scope of financial counseling or other one-on-one interventions. Additionally, the variables within neighborhoods that most influence individual financial health have not been well studied or documented, and few municipal policies or programs exist to improve the impact that neighborhoods have on the financial health of residents.

Under Mayor Bill de Blasio's leadership, the City of New York is committed to addressing systemic issues that trigger income inequality. As part of this work, OFE sought to better understand neighborhood conditions and build our capacity to address neighborhood-based issues impacting financial health. To accomplish these goals, OFE launched the Collaborative for Neighborhood Financial Health (CNFH), a first-of-its-kind initiative, in 2016 in partnership with the New Economy Project and Bedford-Stuyvesant Restoration Corporation (BSRC). The objectives of the initiative included understanding how neighborhood resources, actors, and institutions, as well as residents' beliefs and practices about financial health, influence—and can be harnessed to support—residents' financial health and stability.

Drawing on research from an array of sources, including 10 years of OFE's own studies, OFE and our collaborators set out to explore:

- the intersection of individual financial health, community development, and broad socioeconomic systems in order to measure the ways these variables interact to support or hinder individual and communal financial and economic capability;
- how individuals construct financial systems that can enhance or detract from their financial health;
- what the field of municipal financial empowerment could learn from the public health field's studies about social and place-based determinants of health.

CNFH represents a new approach to financial health that explicitly recognizes how place and community affect individuals' financial health and opportunities. The initiative's participatory and grassroots research methods, cross-sectoral collaboration, and development of community allies and place-based strategies to improve financial health offer insights for the financial health, community development, and asset building fields.

Over the course of a year, project teams worked in East Harlem and Bedford-Stuyvesant—two neighborhoods identified by OFE research as having some of the highest percentage of unbanked

households—to carry out a participatory, community-led inquiry into neighborhood financial health. The teams engaged hundreds of neighborhood residents as well as stakeholders from across civil society, the private sector, and New York City government in interviews, focus groups, and interactive community workshops, eliciting rich feedback about neighborhood conditions and how residents perceive those conditions as supporting or hindering individual financial health.

This valuable community input, along with a literature review and quantitative research, directly informed the creation of a framework for understanding and addressing how neighborhoods impact individual residents' financial health. This framework consists of:

- A definition of neighborhood financial health (NFH)
- Goals for what a financially healthy neighborhood offers its residents
- Indicators that compare how well neighborhoods are achieving those goals
- A set of practices and tools for working with communities to understand and improve their neighborhood's financial health

Through the CNFH, OFE and our collaborators developed a working definition for “neighborhood financial health” as follows:

Neighborhood financial health means that neighborhood conditions promote long-term financial resiliency and opportunity for residents and provide resources that residents use to spend, save, borrow, and plan for life. In turn, financial health among residents contributes to a strong and cohesive neighborhood and local economy. Neighborhood financial health can be measured by the prevalence of supportive institutions, actors, and goods and services in a community, as well as residents' collective financial health.

The CNFH initiative built upon this working definition by developing a set of five goals to describe a financially healthy neighborhood, as well as a set of indicators that measure a neighborhood's success in achieving those goals. For OFE, a financially healthy neighborhood is a neighborhood where residents have:

1. Access to affordable, high-quality financial services
2. Access to affordable, high-quality goods and services
3. Access to quality jobs and income supports
4. Stable housing and capacity to limit financial shocks
5. Opportunities to build assets and plan for the future

To develop a set of practices and tools for government and community-level action, CNFH sought community-level data. After collecting baseline indicator data for both neighborhoods and a comparison neighborhood, the project teams worked with residents and stakeholders in the study neighborhoods to co-design and implement place-based interventions. Each neighborhood's intervention aimed to improve one or more financial health indicators.

These interventions and the participatory process of creating the NFH framework led the Collaborative to a number of key findings.

KEY FINDINGS

FINDING #1:

NEIGHBORHOODS INFLUENCE THE FINANCIAL HEALTH AND ASSET BUILDING OUTCOMES OF THEIR RESIDENTS.

Throughout CNFH's research, community members and stakeholders described their neighborhood as strongly influencing the financial health and long-term outcomes of residents. Stakeholders attributed this influence to three sources:

1. the neighborhood economic landscape (housing stock, available financial services, grocery stores, etc.);
2. the social services available in the neighborhood;
3. the neighborhood's existing social networks, which propagate systems of shared beliefs and practices.

Significantly, an increasing body of quantitative research shows strong correlations between residents' neighborhoods and their long-term financial health; however, further research is needed to demonstrate a causal relationship and, most important, to identify neighborhood conditions that most effectively lead to positive financial health outcomes for New Yorkers with low and moderate incomes.

FINDING #2:

THE PRESENCE IN A NEIGHBORHOOD OF A PRODUCT OR SERVICE THAT SUPPORTS INDIVIDUAL FINANCIAL HEALTH DOES NOT NECESSARILY TRANSLATE TO ACCESS.

Residents and stakeholders repeatedly cited the *presence* of a beneficial product, such as affordable savings accounts, but revealed nuanced reasons why those services or products were inaccessible to many residents.

For example, the *presence* of a bank or credit union branch in a community does not translate to *access*—measured by CNFH in terms of the presence, quality, and accessibility of services, as well as the trust neighborhood residents have in services—if there are perceived and/or structural barriers, including:

1. if the bank or credit union imposes identification or minimum balance requirements that are prohibitive to most residents;
2. if residents share a perception that most mainstream financial institutions are untrustworthy, confusing, expensive, or unwelcoming.

These reported systemic issues within neighborhoods reflect findings from OFE's *Immigrant Financial Services Study*, which looked specifically at the financial needs and practices of recent immigrants.

FINDING #3:

A RELATIVELY SMALL NUMBER OF ECONOMIC ENTITIES IMPACT A NEIGHBORHOOD'S FINANCIAL HEALTH DIRECTLY AND SIGNIFICANTLY.

One of CNFH's most important findings is that grocery stores, financial services businesses, childcare, and affordable housing have a direct and significant impact, both adverse and beneficial, on a neighborhood's financial health. Excluding housing, these entities represent a relatively small number of marketplace actors that nevertheless have an outsize impact on neighborhood financial health.

FINDING #4:

AS ONE WOULD EXPECT, LOWER INCOME NEIGHBORHOODS CORRELATE WITH LOWER NEIGHBORHOOD FINANCIAL HEALTH; HOWEVER, THE WAYS IN WHICH LOWER FINANCIAL HEALTH MANIFESTED IN LOWER INCOME NEIGHBORHOODS DIFFERED SIGNIFICANTLY.

Although both East Harlem and Bedford-Stuyvesant report lower median incomes, how suboptimal neighborhood financial health reveals itself in each neighborhood is different. For example, East Harlem has substantially better access to groceries in terms of supermarket square footage per 100 residents compared to Bedford-Stuyvesant, but Bedford-Stuyvesant has fewer check cashers and pawnshops relative to bank and credit union branches compared to East Harlem.

Additionally, the CNFH found that the responses to qualitative questions differed significantly in the two neighborhoods, which resulted in designing different interventions to increase neighborhood financial health.

FINDING #5:

OWNERSHIP—ESPECIALLY STABLE, AFFORDABLE, AND OWN-ABLE HOUSING—IS FUNDAMENTAL TO AN INDIVIDUAL'S ABILITY TO BUILD FINANCIAL HEALTH AND ASSETS OVER TIME.

Rapidly rising housing prices make it difficult for families with low incomes to own an apartment or house and save for the future, and this dearth of permanently affordable housing keeps residents from building assets. Similarly, high rents, difficulty accessing financing, and other challenges make it difficult for many New York residents and nonprofits to access business ownership as asset building and community change tools. These ownership challenges are beginning to be addressed by City agencies in the Housing New York 2.0 plan, as well as through the Worker Cooperative Business Development Initiative, but the structural forces acting to limit access to ownership are significant. These forces can be seen at work in Bedford-Stuyvesant and East Harlem where the residential sales price per square foot has risen 139 percent and 158 percent, respectively, from 2010 to 2015. Longtime residents in rapidly changing neighborhoods fear that rising rents, along with tenant harassment and other pressures, will displace them from their neighborhoods, deprive them of social capital, and diminish community efficacy. The effect of displacement on financial health is significant in that displacement can

disrupt other informal and formal systems that support relative financial stability, such as access to credit and childcare.

In brief, our findings highlight the importance of a neighborhood's products, services, and communal beliefs and practices in shaping residents' financial health. Though residents and community-based organizations have developed many systems to aid in coping with financial stress, the CNFH showed that residents could further benefit from new opportunities to build assets and access pathways to economic opportunity in their own neighborhood.

Indeed, CNFH's findings underscore the importance of viewing financial health through a broad lens, considering the central role of neighborhoods in influencing outcomes for individuals. Like many NYC neighborhoods, East Harlem and Bedford-Stuyvesant are experiencing a rapid rise in housing costs and a corresponding change in population demographics. "Neighborhood change" came up throughout the project as contributing to acute financial insecurity for many longtime residents. In this context, CNFH's new approach to financial health is particularly timely and valuable for it explicitly recognizes how place and community affect individuals' financial health and opportunities.

The initiative's participatory and grassroots research methods, cross-sectoral collaboration, and development of partnerships and place-based strategies to improve financial health offer examples and insights for the financial health, community development, and asset building fields.

INTRODUCTION

Launched in 2006, the Office of Financial Empowerment (OFE) within the Department of Consumer Affairs (DCA) is the first local government initiative in the country with the mission to educate, empower, and protect New Yorkers and neighborhoods with low incomes so they can improve their financial health and build assets. We focus on five core strategies:

1. Boosting Income and Building Assets
2. Providing Free, High-Quality, One-on-One Financial Counseling and Coaching
3. Increasing Access to Safe and Affordable Financial Products and Services
4. Advocating for Consumers in the Marketplace
5. Empowering Neighborhoods to Generate Wealth

A cornerstone of OFE's work is the development and operation of a network of neighborhood-based NYC Financial Empowerment Centers (Centers), which provide free financial counseling and coaching targeted to the specific financial situation of the individual. Every year, counselors deliver professional one-on-one financial counseling to more than 8,500 New Yorkers at more than 20 Centers.

Although the demand for NYC Financial Empowerment Centers has continued to grow and their demonstrated impact has remained strong, the Center network has not been able to reach and serve all of New York City's residents in need. And even if one-on-one financial counseling could be available to all New Yorkers with low incomes, one-on-one financial counseling is not able to holistically address the systemic issues within a neighborhood—or city—that may be at the heart of an individual's financial instability or insecurity. These issues may be structural; for example, the prevalence and convenience of fringe financial institutions like check cashers, a mismatch between the services offered by mainstream financial institutions and the needs of the community, a lack of affordable fresh food, or the limited ways in which rent payments are collected. These issues may also be rooted in belief systems across a neighborhood or segments of a neighborhood that can prevent or deter residents from engaging with opportunities and services, which might promote financial empowerment and financial health.

In addition, one-on-one counseling as a stand-alone approach is not able to effectively leverage a neighborhood's unique assets to further residents' economic well-being. These assets might include its collective purchasing power, strong social networks, or existing financial institutions. That said, a few organizations have been working diligently to advance financial inclusion through the lens of community development, positing the notion that neighborhoods—as economic systems—affect individual financial security. This notion is now beginning to take hold in academic literature.

A desire to better understand and document such neighborhood systems and conditions—and to identify alternative and more holistic means to fulfill our mission—prompted OFE to launch the Collaborative for Neighborhood Financial Health (CNFH) project in 2016. Drawing on research from an array of sources, including OFE studies, OFE and our collaborators in the CNFH project set out to explore the intersection of individual financial health, community development, and broad

socioeconomic systems in order to measure the ways these variables interact to support or hinder individual and communal financial and economic capability. To begin with, we were inspired by findings documenting the correlation between neighborhood distress and the long-term financial distress of residents. Our work also drew on research into how individuals construct financial systems that can enhance or detract from their financial health. In addition, OFE drew inspiration from studies in the public health field that have enumerated social and place-based determinants of health.

At the core of the CNFH project was the hypothesis that a neighborhood's economic and social structures impact its residents' financial health outcomes. The CNFH sought to test this hypothesis and, if test results supported the hypothesis, to create a framework for OFE to understand and address a neighborhood's impact on individual residents' financial health. At the start of the CNFH, this framework was envisioned to include:

- the drafting of a definition of neighborhood financial health (NFH);
- the development of neighborhood-level indicators using quantitative data that would document NFH; and
- the enumeration of a set of proposed interventions that could improve NFH.

BACKGROUND AND LITERATURE REVIEW

Emerging research and the growing number of findings that document the correlation between distressed neighborhoods and the long-term financial distress of residents informed the research aims of the CNFH project.

A recent study by Pew Charitable Trusts (Pew Charitable Trusts, 2016), for example, found that neighborhood poverty affects families' savings levels and sense of financial security, regardless of income and other demographics.

Additionally, Raj Chetty and his collaborators have shown how differences in childhood neighborhoods result in significant gaps in future earnings and economic opportunity ((Chetty, Hendren, Kline, & Saez, 2014); (Chetty, Hendren, & Katz, The Effects of Exposure to Better Neighborhoods on Children: New Evidence from the Moving to Opportunity Experiment, 2016)).

OFE's own internal analysis of NYC Financial Empowerment Center clients shows widely disparate individual financial health systems and outcomes across geographic regions. For example:

- Clients at a Bronx Center (ZIP Code 10451) have 45 percent *less* debt than the average Financial Empowerment Center client (all Financial Empowerment Centers citywide); whereas, clients at the Bedford-Stuyvesant Center (ZIP Code 11216) have 32 percent *higher* debt than the average client.
- Clients at the Long Island City Center (ZIP Code 11101) are 92 percent more likely *not* to have a checking account than the average client; whereas, clients at the Bedford-Stuyvesant Center are 16 percent *more* likely to have a checking account than the average client.

The disparate effects of these neighborhood impacts have been traced by academics and activists to decades of systemic disinvestment from neighborhoods—disinvestment that perpetuated racial and economic inequality ((Graham & Sharkey, 2013); (Wilson, 1987)).

A second area of research that informed the CNFH includes the growing number of studies that examine the personal financial systems individuals employ. This emerging field has been defined as financial well-being by the Consumer Financial Protection Bureau (Consumer Financial Protection Bureau, 2015) and as Financial Health by the Center for Financial Services Innovation (CFSI). CFSI's 2015 report (Gutman, Garon, Hogarth, & Schneider, 2015) explores the state of Financial Health in America by examining individual capacity, attitudes, and behaviors. CFSI defines Financial Health as having been achieved when “an individual's day-to-day financial system functions well and increases the likelihood of financial resilience and opportunity.”

Subsequent reports have elaborated on this concept by proposing eight indicators to measure individual financial health. These indicators measure the individual's ability to spend, save, borrow, and plan for the future (Parker, Castillo, Garon, & Levy, 2016). This research has already fueled some of OFE's research

efforts, including a 2015 brief commissioned by OFE and conducted by the Urban Institute (Ratcliffe C., McKernan, Kalish, & Martin, 2015) that mapped individual savings and debt levels across New York. The research brief also included qualitative data from interviews with 30 New Yorkers with low incomes. While this study aggregated measures of individual financial health in communities, its findings did not illuminate neighborhood conditions and how they influence outcomes for residents.

Finally, a third research area provided the CNFH with a potential framework for connecting individual financial health outcomes and the social and economic aspects of a neighborhood. This research area is rooted in the growing understanding of social determinants of health and, in particular, place-based social determinants of health.

Since the 1970s, public health organizations, including the World Health Organization (WHO), have increasingly focused on the social contexts for poor health, and on intervening in the systems that create those contexts, rather than focusing solely on targeting specific diseases (Solar O, 2010).

- **Social determinants** of health represent “non-medical factors that affect both the average and distribution of health within populations including distal determinants (political, legal, institutional, and cultural) and proximal determinants (socioeconomic status, physical environment, living and working conditions, family and social network, lifestyle or behavior, and demographics).”
- **Physical environmental determinants** of health include safe water and air, safe housing, and the presence of public parks.
- **Social support network determinants** include support from families, cultural customs and traditions, and the beliefs of families and communities.

((World Health Organization, 2017) (NYC Department of Health and Mental Hygiene, 2015))

Research on the social and place-based determinants of physical health inspired OFE’s interest in the social and place-based determinants of financial health.

This existing research, coupled with the observations OFE made through one-on-one counseling at NYC Financial Empowerment Centers, led OFE to establish the CNFH and further explore the relationship between neighborhoods and individual financial health.

METHODOLOGY

To conduct the CNFH, OFE selected two teams via a Request for Proposals (RFP) process to lead yearlong inquiries into how neighborhoods shape—and are in turn shaped by—financial health outcomes for residents. OFE and the Mayor’s Fund issued an RFP to request proposals from organizations with deep ties in one of several neighborhoods where New Yorkers have the lowest perceptions of their financial health. We identified these neighborhoods based on OFE’s 2015 research partnership with the Urban Institute that documented how residents of New York City’s Community Districts (CDs) perceived their own financial security (Ratcliffe C., McKernan, Kalish, & Martin, 2015).

From the RFP respondents, OFE selected teams led by the New Economy Project and Bedford-Stuyvesant Restoration Corporation. Both teams included community-based organizations (CBOs) with long histories of delivering services in their neighborhoods and of engaging residents in dialogues about community needs. Each team also included respected organizations in the financial health and community development fields.

New Economy Project, a nationally recognized economic justice organization, provided overall leadership for the initiative in close coordination with OFE. New Economy Project has long worked at the intersection of community development, financial justice, and civil rights, and was excited to support OFE in developing a place-based frame for our work. The CNFH builds in part on New Economy Project’s extensive documentation of neighborhood disparities with respect to banking and credit access and other economic conditions.

New Economy Project led a project team focused on East Harlem, with support from the Lower East Side People’s Federal Credit Union, a cooperatively owned community development financial institution that operates a branch in East Harlem, and Dr. Hilary Botein, a professor at the Austin W. Marxe School of Public and International Affairs at Baruch College - The City University of New York. The project team worked with a number of CBOs anchored in East Harlem, among them LSA Family Health Service, Community Voices Heard, and Picture the Homeless, to engage longtime community residents—many of them immigrants—in the CNFH project.

The Bedford-Stuyvesant team was anchored by Bedford-Stuyvesant Restoration Corporation (BSRC), the nation’s first community development corporation, and was supported by Urbane Development, the Local Initiatives Support Corporation (LISC) NYC, and the Center for Financial Services Innovation. The Bedford-Stuyvesant project team focused its study area on two census tracts, one occupied by the Marcy Houses public housing development and the other comprising a mix of low-income subsidized housing and public housing. The team worked with a number of Bedford-Stuyvesant based stakeholders and organizations, including Bridge Street Development Corporation, IMPACCT Brooklyn, Council Member Robert E. Cornegy Jr., and Highbrid Media, among others.

One goal of the CNFH was for each project team to gather on-the-ground research to inform the creation of a framework for understanding and addressing how neighborhoods impact individual

residents' financial health. This framework was intended to support the generation of neighborhood data that can drive both citywide and neighborhood-specific action. The data would give a picture of the financial health landscape in New York's neighborhoods.

STAKEHOLDER ENGAGEMENT

To develop the framework for OFE to understand NFH, the teams employed intensive stakeholder engagement. The teams conducted in-depth interviews of 38 stakeholders, including local residents, nonprofit service delivery staff, community organizers, nonprofit and government leaders, and local business owners. This phase of the project also included input from an advisory group composed of staff from New York City agencies, including the Mayor's Offices for Economic Opportunity and Food Policy, the Department of Housing Preservation & Development (HPD), the New York City Housing Authority (NYCHA), and the Department of Health and Mental Hygiene (DOHMH).

At the close of the stakeholder engagement phase of the CNFH, OFE and the project teams determined that the framework would need a set of NFH goals to more clearly describe the role of a neighborhood in supporting individual financial health and to provide further structure to the neighborhood financial indicators.

See Sample Community Workshops on Page 20.

NEIGHBORHOOD INTERVENTIONS

Following the development of a draft definition of NFH; NFH goals and indicators; and six interactive community workshops, each designed to explore one or more of the NFH goals, the CNFH project teams advanced from research into practice by co-developing a series of interventions in each neighborhood. These proposed interventions were built on learnings from the workshops, the preliminary indicator data, as well as from additional stakeholder input, and were designed to test different ways and means of improving a neighborhood's impact on resident financial health. The teams piloted one intervention in each neighborhood, focusing on neighborhood-specific challenges identified in interviews and refined during the community workshops. Critically, the community workshops provided the CNFH project teams with valuable insight into residents' beliefs and practices regarding their own financial health—beliefs and practices that may be propagated via social networks in the neighborhood and that represent critical areas of effective intervention both for the CNFH and future research.

DEFINING “NEIGHBORHOOD FINANCIAL HEALTH” (NFH) AND APPLYING DRAFT INDICATORS TO NEW YORK CITY NEIGHBORHOODS

The teams used insights from the pilot interventions to revise the definition of NFH, as well as the goals and indicators, to reflect the knowledge gleaned throughout the project. Finally, OFE and our partners collected indicator data for four New York City CDs in order to conduct a full assessment of each CD's financial health, using the definitions, goals, and indicators developed through the CNFH project. In addition to the two neighborhoods studied, data was collected for two comparison neighborhoods. Both

comparison neighborhoods were near a pilot neighborhood, but residents of the comparison neighborhoods had reported much higher levels of financial security in the 2015 Urban Institute study. New Economy Project collected the data for Manhattan CD 11, referred to in this paper as East Harlem, which is composed of the neighborhoods of East Harlem, Randall's Island Park, and Wards Island Park.

BSRC collected the data for Brooklyn CD 3, referred to in this paper as Bedford-Stuyvesant, which is composed of the neighborhoods of Bedford-Stuyvesant, Stuyvesant Heights, and Tompkins Park North.

OFE collected the data for two comparison neighborhoods: Manhattan CD 8, referred to in this paper as the Upper East Side and composed of the Upper East Side, Carnegie Hill, Lenox Hill, Roosevelt Island, and Yorkville; and Brooklyn CD 6, referred to in this paper as Park Slope and composed of Carroll Gardens, Cobble Hill, Columbia Street Waterfront District, Gowanus, Park Slope, and Red Hook.



Roadblocks vs. Stepping Stones:
The Path to Financial Health Workshop



East Harlem Community Walkshop

SAMPLE COMMUNITY WORKSHOPS

To engage residents more deeply in informing the outcomes of this project, each project team hosted three community workshops. The **Money Mapping** workshop took place in both East Harlem and Bedford-Stuyvesant. Each project team designed two additional workshops unique to the neighborhood's needs and stakeholders. All workshops in East Harlem were in English and Spanish. Teams hosted a total of six workshops—three in each of the two study neighborhoods.

MONEY MAPPING

Designed as a way for neighborhood residents to introduce project teams to residents' experience of the financial landscape of the neighborhood, this workshop was a semi-structured place-making activity. With the help of a visual notetaker, residents were invited to draw the physical and social spaces within their neighborhoods where money is spent, saved, and borrowed. Prior to the workshop, project teams created a large-scale map of the neighborhood that featured community landmarks, such as commercial corridors, financial institutions, churches, and public housing complexes, identified by residents and stakeholders during the interview phase of the project.

ROADBLOCKS VS. STEPPING STONES: THE PATH TO FINANCIAL HEALTH

This workshop was an interactive role-playing activity. Two different scenarios, each based on neighborhood conditions, were proposed to participants and participants were then asked to identify which life events contribute to financial health and which to financial instability. In the first scenario, the group heard the story of a financially healthy individual who faces a number of challenges that result in financial instability. In the second scenario, residents were told the story of a financially unstable individual who makes use of services, products, and systems within the neighborhood to achieve financial stability. Drawing from their own experiences and their knowledge of what is available within the neighborhood, residents were invited to identify which steps they would take to achieve financial health, including the different institutions, services, and networks they would rely upon.

COMMUNITY 'WALKSHOP'

This workshop was structured as a facilitated walk through the neighborhood, during which participants were invited to supply the narration on a tour of key sites that contribute to the financial health of the neighborhood, providing information relevant to them and their financial health about each location visited. The route of the WalkShop was informed by feedback received through interviews and the Money Mapping community workshop, and covered places, spaces, routes, and institutions that residents cited as being important to their daily economic lives.



DEFINING NEIGHBORHOODS

One of the key challenges of the CNFH was finding a definition of neighborhood that:

- was meaningful for the residents of a community;
- allowed the neighborhood to be studied using previously existing data sets (in order to create a set of indicators of NFH); and
- would provide data that could be compared across New York City neighborhoods.

At the outset of the project, New Economy Project and BSRC identified specific census tracts in which they would eventually conduct the CNFH's research and implement the pilot intervention as part of the project. New Economy Project chose to work specifically in census tracts 164, 170, and 180 in East Harlem, and BSRC chose to work specifically in census tracts 255 and 283 in Bedford-Stuyvesant.

The definition of a neighborhood as a very small number of census tracts roughly aligns with the concept of a "20-minute neighborhood," which has been used by cities, such as Portland and Detroit, to measure the extent to which a neighborhood provides the majority of key goods and services, as well as access to parks and other community amenities. This definition of neighborhood also matched closely with how residents reported experiencing their neighborhoods throughout the CNFH's engagement activities. According to interviews, residents stated that they may only regularly interact with a small "community of neighbors" and commercial zones circumscribed by a 10-minute walking radius from their house.

While a multi-census tract definition closely matched the experiences of the residents interviewed, the CNFH partners recognized that measuring and planning interventions based on such a small geographic area would prove infeasible when translating the project from two neighborhoods to every neighborhood in New York City, which contains over 2,000 census tracts. In consideration of scaling the findings of the CNFH beyond East Harlem and Bedford-Stuyvesant, as well as

providing a scorecard that would include comparable data across neighborhoods, two other potential neighborhood measures provided by the NYC Department of City Planning (DCP) were considered:

- CDs, which closely correspond to the U.S. Census Public Use Microdata Areas (PUMAs)
- Neighborhood Tabulation Areas (a DCP unit of approximately half a PUMA/CD)

Taken together, CDs and Neighborhood Tabulation Areas form the basis of unit of neighborhood measurement with a wealth of data already available from the DCP, other City agencies, and the U.S. Census. Based on the availability of both City and U.S. Census data on CD/PUMAs and their existence as both a common data and geopolitical unit—each CD in New York City has its own Community Board tasked with certain business permit approvals as well as having an advocacy and community organizing role—CDs emerged as the definition of neighborhood, which was used throughout the CNFH initiative in general and to measure the NFH indicators in particular.

One of the challenges of equating a CD to a neighborhood is that there may be significant variation in the way that residents' financial health is impacted across a single CD. This variation may arise from the availability of goods and services, the arrangement of transportation routes, or the differing perceptions of financial health practices present across cultural communities. This was the case in Bedford-Stuyvesant, whose northern and southern portions differ considerably, with Atlantic Avenue and Fulton Street functioning as commercial corridors. However, these intraCD variations can be identified and accounted for via qualitative research within a neighborhood. For example, hosting community workshops during the research phase of any potential project aiming to impact NFH can assist policymakers and service providers in more fully understanding heterogeneous CDs.



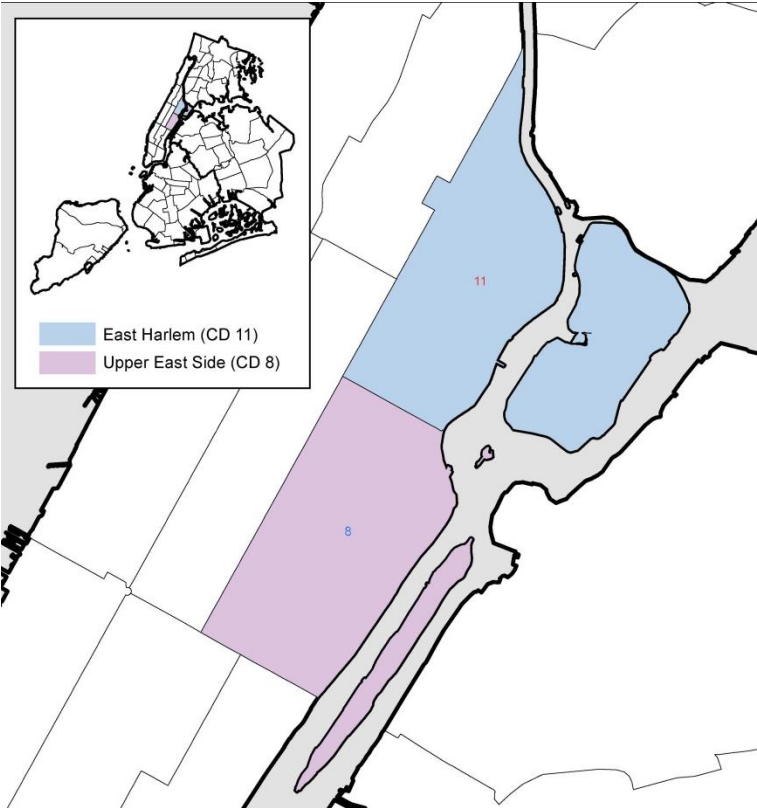
NEIGHBORHOOD SNAPSHOTS: BEDFORD-STUYVESANT AND EAST HARLEM

In the early phases of the CNFH, OFE and our partners chose to collaborate with the communities of East Harlem and Bedford-Stuyvesant based on the self-reported financial insecurity of residents in those neighborhoods as described in a 2015 brief commissioned by OFE (Ratcliffe C., McKernan, Kalish, & Martin, 2015) and because of the project teams’ strong community connections in each of the two neighborhoods.

EAST HARLEM

East Harlem, also known as *El Barrio* and located in Upper Manhattan, has a population of 117,000 that is nearly 50 percent Latino and 31 percent Black. One in 10 residents lives in a limited English-speaking household. The median household income in East Harlem, \$27,000, is among New York City’s lowest, and the area’s poverty rate is fifth highest among the city’s PUMAs. NYCHA is the neighborhood’s largest single landlord, controlling nearly a quarter of the community’s land and 35 percent of the total rental housing units.

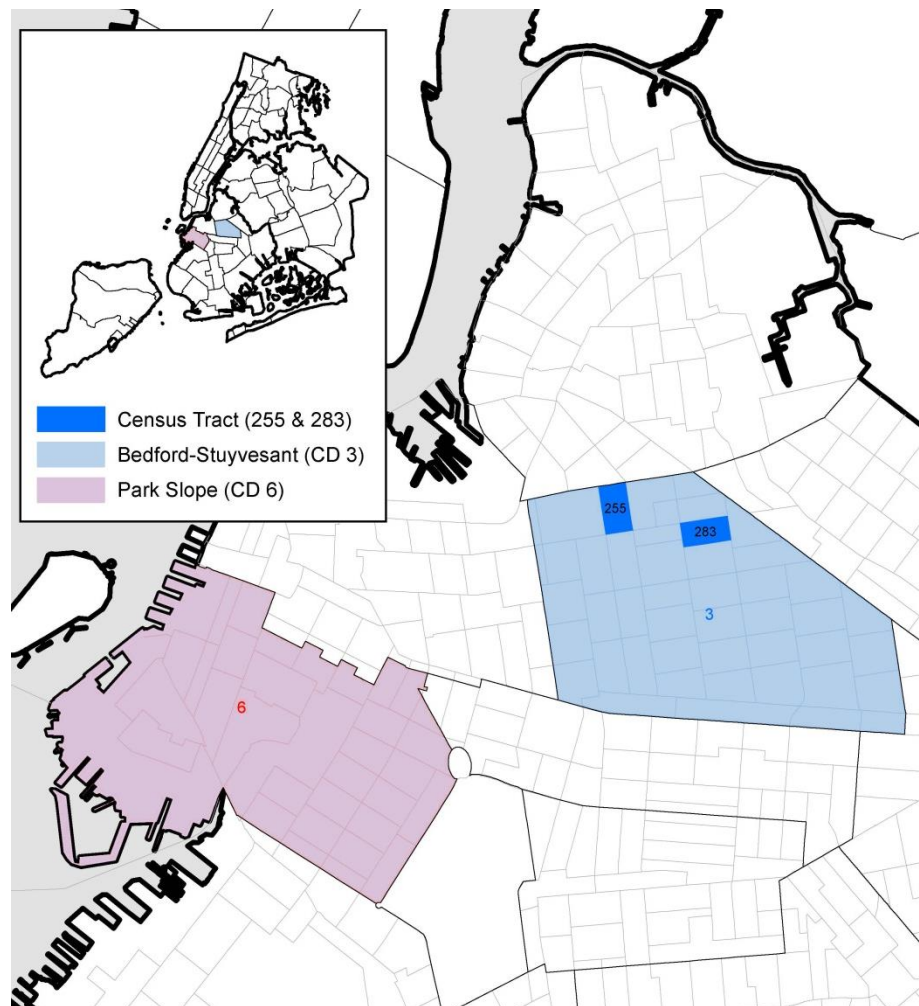
In terms of financial services, pawnshops and check cashers outnumber bank and credit union branches. Nineteen percent of residents do not have a bank account (compared to 12 percent for New York City as a whole) (Ratcliffe C., McKernan, Kalish, & Martin, 2015).



BEDFORD-STUYVESANT

Bedford-Stuyvesant, located in north central Brooklyn, is home to approximately 150,000 residents. It is one of the country's most historic Black communities. Roughly 50 percent of residents identify as Black, 27 percent as White, and 18 percent as Hispanic. Only one in 20 residents lives in a limited English-speaking household. The median household income is \$35,000, with a poverty rate that is the seventh highest of New York City's 55 PUMAs. NYCHA is also the largest landlord in Bedford-Stuyvesant, controlling 21 percent of the total housing units.

The financial services available in Bedford-Stuyvesant are roughly balanced between check cashers and pawnshops and banks and credit unions, though a number of the local credit union branches in the area are only open a few days a week. Twenty-one percent of residents do not have a bank account.



MEASURING NEIGHBORHOOD FINANCIAL HEALTH: APPROACH & FINDINGS

To measure NFH, the CNFH took a multidisciplinary approach and pulled from the fields of public health, financial inclusion, and community development to inform our work. The framework and approach draw heavily on the evolving field of public health, especially the concept of social and place-based determinants of health. DOHMH has been on the forefront of using these concepts to inform their policy and programmatic work, and their 2015 Community Health Profiles recognize that “Health is rooted in the circumstances of our daily lives and the environments in which we are born, grow, play, work, love and age. Understanding how community conditions affect our physical and mental health is the first step toward building a healthier New York City.” (NYC Department of Health and Mental Hygiene, 2015).

Similarly, the CNFH recognizes the places where New Yorkers live have a sizable impact on how New Yorkers build their financial health and assets over time. Through the stakeholder and community engagement phases of this project, the CNFH identified a definition for NFH and five broad goals for neighborhoods to support residents’ financial health. The definition of NFH and the five NFH goals remain open for revision going forward as OFE continues working with partners to understand the impact of neighborhoods on residents’ financial health.

The CNFH project developed the following working definition of “neighborhood financial health”:

Neighborhood financial health means that neighborhood conditions promote long-term financial resiliency and opportunity for residents, and provide resources that residents use to spend, save, borrow, and plan for life. In turn, financial health among residents contributes to a strong and cohesive neighborhood and local economy. Neighborhood financial health can be measured by the prevalence of supportive institutions, actors, and goods and services in a community, as well as residents’ collective financial health.

This definition is further supported by the five NFH goals. A financially healthy neighborhood is a neighborhood where residents have:

1. Access to affordable, high-quality financial services
2. Access to affordable, high-quality goods and services
3. Access to quality jobs and income supports
4. Stable housing and capacity to limit financial shocks
5. Opportunities to build assets and plan for the future

As the CNFH partners set out to measure these goals, it became apparent that the overall extent and geographic and demographic nuance of a neighborhood’s impact could not be measured via existing quantitative data alone. For example, no data point was found that reliably reports the opinion of a

specific CD's residents with respect to banks and credit unions, nor was a data point found that tracks the availability of affordable, quality groceries within a given walking radius.

Further, some quantitative data can be misleading. For example, in Bedford-Stuyvesant, although data based on the built environment of the neighborhood indicates relatively good access to subway stations—as measured by the amount of area within a 10-minute walk of a subway station—interviews with residents revealed that those subway lines do not conveniently connect residents to needed resources, such as grocery stores or financial services, and that the bus service in the neighborhood was intermittent.

As a result, in an effort to capture both the broad strokes of NFH and the nuances within neighborhoods, the CNFH partners pursued a hybrid approach, relying on an original set of indicators that use publically available data to point to how successfully a neighborhood is supporting the financial health and stability of its residents, as well as a set of community workshops that allowed residents to speak to how the NFH goals are being met in their neighborhoods. In the case of some indicators, OFE and CNFH project teams are still pursuing data from potential partners, such as in the case of the Access to Credit indicators, or hope to conduct further surveys to collect data, such as in the case of the Emergency Savings indicator. Therefore, as with the NFH definition and goals, the indicators and their data sources remain open for revision in the second phase of this work.

The findings from the CNFH's research in the neighborhoods of East Harlem and Bedford-Stuyvesant, as well as the indicators for each goal, are described below.

1. ACCESS TO AFFORDABLE, HIGH-QUALITY FINANCIAL SERVICES

Affordable and high-quality financial services support NFH by bolstering residents' capacity to manage day-to-day finances, plan for the future, and build financial assets. Through the community workshops and stakeholder interviews, residents in East Harlem and Bedford-Stuyvesant consistently expressed that having access to basic financial services near their homes allowed residents to more easily access, understand, and build trust in the services provided. Through its work in East Harlem and Bedford-Stuyvesant, the CNFH identified indicators that track:

- the presence and use of banks and credit unions;
- the ratio of banks and credit unions to check cashers and pawnshops;
- the availability of low-cost accounts;
- the rate of neighborhood reinvestment;
- the acceptance of IDNYC (New York City's municipal ID card program) by banks and credit unions;
- residents' confidence in banks and credit unions; and
- the use of mobile banking.

Evidence from both communities suggests that many residents with low incomes do not feel they have adequate access to affordable and appropriate financial services. In terms of sheer presence, the

“We’re ... flooded with check cashers and pawn shops. Whatever little left that poor families have, (these places are) just stripping them of value ... because families are in desperate need.”

- *J.M., East Harlem resident*

combined number of check cashers and pawnshops (22) in East Harlem dwarfs the number of bank and credit union branches (12) in the same area. In Bedford-Stuyvesant, there is fewer than one bank or

credit union branch per 10,000 residents (compared to the citywide average of 2.2 branches per 10,000 people), and several of those branches are small, church-based credit unions that do not offer services five days a week. Notably, there was broad understanding among residents and stakeholders in both neighborhoods that banks and credit unions offer a wide range of savings, borrowing, and other opportunities, and that lower-income neighborhoods had less access and fewer opportunities in this regard because of the fewer number of appropriate financial institutions. Many residents and stakeholders described how their neighborhoods were “flooded” with storefronts that preyed on people with few other options

when it comes to banking and other financial services.

Community beliefs and experiences also limited the use of banks and credit unions. Residents in both neighborhoods expressed concern about bank accounts causing them to run afoul of asset limits imposed by benefit programs. Several people reported that caseworkers had advised them to close bank accounts, or that their benefits or their children’s benefits had been reduced for this reason. The complex and distinct rules governing various programs contribute to confusion about whether and how much people can save in accounts.

At the same time, many community residents reported using fringe financial services over banks and credit unions because of the more accessible locations and hours of operation among fringe financial service providers. The relatively low number of bank and credit union branches also contributes to long lines and wait times in branches, and many residents cited poor customer service, all of which have become deterrents to using local banks and credit unions.

Among immigrant residents interviewed, it was not uncommon for residents to deal primarily in cash, avoiding both check cashers and banks. Identification requirements were a concern, particularly for many immigrant community residents who reported that lack of a Social Security number or photo ID prevented them from opening bank accounts. While City, state, and federal banking laws permit individuals to open accounts using a wide range of documents regardless of immigration status, some banks continue to impose restrictive identification requirements that create barriers to entry. Despite avoiding check cashers and banks, this population did report occasional use of the post office to purchase money orders.

Beyond the physical presence and proximity of banks and credit unions, the cost of banking was a major barrier. Many residents with low incomes and income volatility reported that they did not earn enough money to maintain minimum account balances and avoid fees. Income volatility also created a

need to more closely manage their cash flow than a bank account would allow (due to pending transactions), an issue cited in many other studies about banking access. New York State law requires all banks and credit unions to provide basic accounts with a maximum \$3 monthly fee; however, when the CNFH contacted bank branches in East Harlem and Bedford-Stuyvesant, only 14 percent and 12.5 percent, respectively, provided information about these basic accounts—reinforcing local perceptions that banks are costly and not interested in serving residents with low incomes.

Prior OFE studies, spanning the *Neighborhood Financial Services Study* (2008) to *Immigrant Financial Services Study* (2013), have provided similar insights. The *Neighborhood Financial Services Study* examined residents' attitudes and behaviors related to basic banking services, savings, and credit, and the role of financial education in two New York City neighborhoods: Jamaica, Queens and Melrose, Bronx. The *Immigrant Financial Services Study* looked specifically at the financial needs and practices of recent immigrants.

2. ACCESS TO AFFORDABLE, HIGH-QUALITY GOODS AND SERVICES

Affordable, high-quality goods and services support residents by enabling them to meet essential needs while managing cash flows. Over the course of interviews and community workshops, neighborhood residents indicated their preference for having key goods and services available in the neighborhood. These goods and services include groceries, childcare, and primary care. Residents also indicated that easy access to other areas of spending, such as clothing, felt unimportant to their financial health, since purchases of those items can represent social events worth traveling outside the neighborhood for on some occasions.

The CNFH team further narrowed the types of goods and services important to NFH by examining the percentage of household budgets spent by New Yorkers and by households with low and moderate incomes on goods and services recommended by residents. This led to the elimination of some types of goods and services from the NFH indicators. For example, we eliminated access to pharmacy items as an indicator because these items constitute less than 2 percent of household spending (U.S. Bureau of Labor Statistics, 2015). The final NFH indicators within this category track residents' access to essential needs, such as subsidized childcare, groceries, and health care, as well as the cost of transportation.

“Rent has increased. Mom and pop stores are closing down, restaurants are shutting down. There are lots of places coming in but they aren’t hiring from the community.”

- Charmel L., East Harlem resident

Most residents of East Harlem and Bedford-Stuyvesant, when asked about neighborhood financial health, immediately focused on the need for affordable and high-quality goods and services in their communities. People see a neighborhood as a place to live but also a place to access and purchase life's necessities. Shopping is a social activity, and the process of buying goods and services makes residents feel connected to their neighbors. In both study neighborhoods, residents reported doing most of their grocery shopping within a few blocks of their homes.

Over the past year, East Harlem has experienced a wave of grocery store closures, and residents lamented the scarcity of food that is both affordable and high quality, arguing that affordable and high-quality food is now only available on the outskirts of East Harlem at grocery outlets, such as Costco.

In Bedford-Stuyvesant, by contrast, residents reported that goods and services of sufficient quality were available in the southern edge of the neighborhood, but that for residents in the far north of the neighborhood, poor transit linkages made those goods and services hard to access. Additionally, residents cited cultural barriers as an additional factor that limited their ability and comfort in accessing the goods and services available in the commercial areas of Southern Williamsburg.

Bedford-Stuyvesant residents also repeatedly identified lack of access to childcare as a major pain point and a source of stress on residents' ability to keep jobs and secure income. As is true in many New York City neighborhoods, day care facilities in Bedford-Stuyvesant are overenrolled. Where day care is available, the cost (up to \$2,000 a month) and limited hours of operation (some day cares open too late and close too early for working parents with longer commutes) prove an insurmountable barrier. Participants reported relying on friends and family to provide childcare support, as this option is often less expensive and more flexible.

3. ACCESS TO QUALITY JOBS AND INCOME SUPPORTS

Residents, stakeholders, and experts in the fields of economic and workforce development interviewed by OFE agreed that it was not practical or desirable for a neighborhood to employ all its residents within the bounds of the neighborhood, or to provide hard job skills training inside the neighborhood for all residents. However, they also agreed that the neighborhood's economic and social systems play a key role in preparing its residents for the workforce. Neighborhoods can support residents in engaging with the workforce and achieving household stability by linking them to quality jobs, while neighborhoods can also fail to support residents in engaging with the workforce. For residents who are unable to work or for whom the only available jobs will not support their households, public benefits offer stability.

Through its work in East Harlem and Bedford-Stuyvesant, as well as through interviews with workforce and economic development practitioners, the CNFH project team identified indicators to assess access to quality jobs and income supports within a given neighborhood. These indicators include:

- public benefits utilization;
- job training and job placement support;
- unemployment rates;
- job quality;
- tax credit utilization;
- educational attainment; and
- jobs with health insurance.

The CNFH's neighborhood-based research revealed that residents have a strong interest in strategies to support access to jobs and income supports within their communities. Residents are eager to stabilize

their individual incomes, and are keenly aware of the connection between the availability of high-quality jobs and the long-term financial health of their neighborhoods. Among people interviewed in East Harlem, many mentioned the need for job training and job placement—particularly for younger residents—as well as for services targeted specifically to men with criminal records who faced barriers to securing good jobs. Residents and stakeholders also referred to the “side hustle” of informal employment as an inevitable survival strategy.

Mobile/street vending and informal businesses are important to many residents—both for income-producing opportunities and for the access they provide to lower-cost goods and services. Residents cited DJ-ing at parties and cutting hair to catering and selling food and merchandise as important elements of East Harlem’s local economy, and ways that residents attempted to make up income shortfalls.

Similarly, when asked what services they feel are lacking and needed in Bedford-Stuyvesant, several residents mentioned workforce development programs to combat high unemployment, as well as more quality jobs with higher wages and better benefits. Stakeholders in both neighborhoods felt that even though there are new businesses moving into the neighborhood, many of the new employers are looking for skills and talent that are not currently represented in the community.

“I take turns leaving one bill unpaid each month. I try to do a lot of cutbacks to make ends meet.”

- Rosa C., Bedford-Stuyvesant resident

In Bedford-Stuyvesant, residents reported heavy reliance on public assistance, such as food stamps and cash assistance, as well as on formal and informal safety nets. Workshop participants cited these government programs as the main coping mechanism for acute financial stressors, such as job loss, disability, or long-term loss of housing. However, the community workshops revealed reluctance among some residents to avail themselves of some government support

systems, citing pride as a main barrier to seeking out support services.

4. STABLE HOUSING AND CAPACITY TO LIMIT FINANCIAL SHOCKS

The financial health field increasingly recognizes that it is financial shocks, and a lack of resilience in the face of them, that drive families into poverty or prevent them from moving to long-term financial health. Indeed, OFE’s report series—*Municipal Financial Empowerment: A Supervitamin for Public Programs* (2011- 2013)—builds the case that fully integrating financial empowerment and asset building strategies into public programs is necessary to help those with financial instability gain financial knowledge and access to affordable financial products and services to build cushions against financial shocks and downturns.

Over the course of the CNFH, residents and stakeholders identified housing as a key source of financial shocks in their lives, as well as their most significant source of expense and anxiety. These shocks take the form of surprise evictions, unexpected costs arising from poor maintenance on the part of property

managers, or the expenses of moving after a rent increase render a resident's current housing unaffordable.

Residents also reported that the neighborhood degraded or supported their financial resilience in other ways, such as being targeted by debt collectors or scam artists on the one hand or providing access to financial counseling to help them weather crisis situations on the other.

Through its work in East Harlem and Bedford-Stuyvesant, the CNFH identified indicators that measure the extent to which neighborhoods provide stable housing and support residents' abilities to limit the adverse effects of financial shocks. These indicators are:

- housing stability;
- health insurance access;
- emergency savings;
- rent burden;
- home foreclosures;
- ability to borrow at low cost; and
- the availability of financial counseling.

In East Harlem, virtually everyone interviewed cited the cost and quality of local housing as one of the most severe challenges facing neighborhood residents. Workshop participants noted that local incomes do not support the rising rents, and several shared stories about neighbors who had to move to the Bronx or farther away. Several residents in community workshops noted that recent rent increases have moved them from being able to accumulate emergency savings to living more permanently paycheck to paycheck. With few exceptions, interviewees and workshop participants were rent-burdened (if not severely rent-burdened), spending greater than 30 or 50 percent of their income on rent, respectively. Many also complained about the state of disrepair of their buildings. One East Harlem resident identified rent stabilization as the linchpin of his financial health, noting, "If I didn't live in a rent stabilized place, I'd be in a shelter."

HPD and NYCHA are major property owners in East Harlem and, therefore, contribute to individual and neighborhood financial health. HPD owns the greatest share of the neighborhood's total property tax lots, while NYCHA is the primary owner in terms of total rental housing units (nearly 35%) (PLUTO Shapefile for Manhattan, 2017). Residents expressed both positive and negative opinions of NYCHA when reflecting on their financial health: while public units stabilize occupants' rent payments, permitting them to remain in the neighborhood despite increases in housing costs, the design of the developments themselves can create insulated environments that may make residents feel cut off from the wider social networks of the neighborhood.

Bedford-Stuyvesant is similarly experiencing an increase in housing prices and an influx of more affluent residents. According to a report published by NYU's Furman Center in 2016, home values in the area have risen by 194 percent since 2004, to a median value of more than \$1 million. However, despite these increases in property values and new investments in the area, the NYC Community Health Profile

“Before, we could save, but now everything goes to rent.”

- *Many East Harlem and Bedford-Stuyvesant residents*

published in 2015 revealed that Bedford-Stuyvesant is the eighth-poorest neighborhood in the city. In fact, during one workshop, residents cited the combination of increasing housing prices and lack of rental subsidies as one of the greatest stressors on the community.

Several residents said they were evicted after landlords sold their buildings because the residents were made to believe their leases were no longer valid. As a result, families were forced to relocate to parts of the neighborhood where they perceived safety as a concern, resulting in a large decrease in their perceived quality of life.

In both East Harlem and Bedford-Stuyvesant, the CNFH found that residents understood the importance of emergency savings and access to low-cost credit as tools for limiting the impact of financial shocks. Workshop participants reported, however, that their efforts to save were frequently thwarted by unexpected expenses related to health emergencies, taxes owed, or home repairs, among other examples. Some business owners and people with stable incomes reported participating in *tandas* (lending circles) with coworkers and family members as a way to facilitate extra savings; this was not common among residents struggling to make ends meet.

In Bedford-Stuyvesant, some participants mentioned borrowing from family and friends to avoid the fees and fines associated with traditional lending practices. Residents also revealed they often purchased goods on credit from local corner stores. This practice, however, is becoming less common, as bodega owners struggle to pay rent and cover bills in neighborhoods with rising commercial rents.

Residents and stakeholders in both neighborhoods emphasized the need for more high-quality financial counseling and education, and greater promotion and publicity for existing services, such as those offered by NYC Financial Empowerment Centers and community development credit unions in both neighborhoods.

5. OPPORTUNITIES TO BUILD ASSETS AND PLAN FOR THE FUTURE

The fifth goal reflects the potential inherent in the concept of NFH. It makes the case that if a neighborhood can nurture its residents in the present, it should also be able to support them in planning for the future. The potential of the neighborhood as a positive force in the lives of its residents was a constant theme in the community workshops and stakeholder interviews. While residents often associated this potential in previous goals, such as access to job training, education, and financial services, residents often envisioned themselves in the community workshops as building assets in their neighborhood, both individually and as a community. Accordingly, indicators for this goal include:

- homeownership rates;
- the presence of minority and women-owned business enterprises;
- retirement security;
- community efficacy (described later in this section); and
- neighborhood tenure.

In the community workshops some residents cited opening a small business as a means of asset building or making ends meet, and many residents aspired to business ownership. Many of the workshop participants also described running small businesses, which they conceptualized as second jobs—for example, being an independently employed cleaner—or as “side hustles.” Stakeholders also cited small businesses as key sources of NFH, as well as sources of local jobs, goods, and services—especially grocery stores. Many residents and stakeholders cited a set of challenges to establishing or maintaining a small business, including a lack of access to small business training, access to capital, and rising commercial rents.

Similarly, homeownership was an aspiration of many workshop participants and interviewees, though it was often seen as only possible if the resident was able to afford to move out of their current neighborhood.

Residents and stakeholders in both neighborhoods also often referenced a desire to more effectively shape their own neighborhood’s financial health, not just to have the neighborhood’s financial health shape their fortunes. Many CNFH participants saw the opportunities for shared or community ownership of assets as an effective tool for pursuing this goal, especially in East Harlem, which has a strong network of community gardens, shared equity housing cooperatives, and community land trust advocates. The models referenced included credit unions, cooperative stores, and employee-owned businesses that residents felt could be used more effectively to advance individual asset building—as in the case of shared equity homeownership—as well as to advance NFH through access to goods and services, such as in a community-owned grocery store.

Based on literature reviews and stakeholder interviews, community efficacy emerged as a second factor in residents’ ability to impact their own neighborhood’s financial health. Community efficacy can be seen as a combination of social capital in a community and “community activity infrastructure,” which enables communities to turn that social capital into concrete action (Kilpatrick & Abbott-Chapman, 2005). The CNFH indicators measure the second aspect of community efficacy via a single indicator, the number of CBOs in the target neighborhoods. No current measure for neighborhood social capital or social cohesion exists for New York City, although DOHMH and the Department of Cultural Affairs are both working to create measures ((NYC Mayor’s Office of Operations, 2016) (NYC Department of Health and Mental Hygiene, 2015)).

In East Harlem, the community’s civic investment is considered by many residents to be one of its most significant assets. In two community workshops, residents ranked “community organizations” as the neighborhood’s most important strength. Several local organizations were cited repeatedly as widely trusted, effective institutions that provide vital services and sustain the neighborhood’s long history of activism. These organizations are also valuable to East Harlem residents because they offer physical space in which to gather and socialize—an acute need given the shortage of open space in East Harlem.

In Bedford-Stuyvesant, where longtime residents are similarly feeling threatened by the risk of displacement from their homes, local community organizations are working to provide residents with the resources they need to support their communities. Residents are familiar with their offerings, citing these

institutions as providing needed supports and services to the community, particularly around workforce development and job placement support. However, residents recognize a need for broader and large-scale changes, such as increasing the minimum wage, eradicating financing and housing discrimination practices, and providing an easier runway for asset building; they are unsure of the extent to which these organizations can advocate for their needs.

Finally, neighborhood tenure measures the length of time residents stay put in their neighborhood. Residents “vote with their feet,” and long tenure indicates a desire to stay in one’s community. Indeed, 48 percent of East Harlem residents have lived in their homes for 10 or more years, higher than the citywide average. Community rootedness, measured by neighborhood tenure, is a clear indication of neighborhood financial health both as an ability to stay in and a desire to belong to one’s community.

FROM INDICATORS TO PROTOTYPE INTERVENTIONS

Alongside the development of a set of qualitative and quantitative measurement tools for NFH, the CNFH also aimed to develop strategies for OFE to work with neighborhood partners to increase the NFH of Bedford-Stuyvesant and East Harlem as a prelude to OFE’s goals of bringing this work to neighborhoods across the city. Both neighborhood teams proposed short-, medium-, and long-term interventions to improve one or more NFH goals—see Pages 38 and 39—and to support residents in increasing their own individual financial health. New Economy Project and BSRC both piloted one intervention during a three-month period in early 2017. Interventions were chosen based on feedback from stakeholders and residents, with the criteria that the efforts must both impact NFH and also provide meaningful data on the potential for the project if it were shaped into a longer term intervention.



EAST HARLEM

In East Harlem, New Economy Project partnered with the Lower East Side People’s Federal Credit Union (LESPFCU) to implement a three-month intervention aimed at increasing community members’ use of banks/credit and awareness of banking rights and options. The intervention used “pop-up” credit union branches as extensions of the already existing LESPFCU’s East Harlem branch as well as a “*promotoras*” peer-education campaign. The East Harlem team designed the intervention in close consultation with Spanish-

speaking immigrant community members who face particular barriers to achieving financial health and to accessing basic financial services, barriers OFE describes in our *Immigrant Financial Services Study*.

The first component of the hybrid intervention was the deployment of a weekly “pop-up” branch of the LESPFCU at the offices of LSA Family Health Service, a social services organization and advocacy hub for Spanish-speaking and immigrant community residents. The pop-up was designed to increase the credit union’s visibility in this part of the community and engage local Spanish-speaking immigrant community members at a convenient and trusted location. In interviews and community workshops, many community residents and stakeholders were either not aware of the credit union at all or held the perception that it served only members of the social services organization inside which the LESPFCU branch is housed. At the “pop-ups,” residents were able to open bank accounts and receive one-on-one education about youth accounts, the benefits of establishing a credit history, and what it means to “bank” at a community-based cooperative.

As a second component of the intervention, the project team recruited and trained eight immigrant women from the community to become “financial health promoters,” or *promotoras*, to publicize the credit union pop-up and raise awareness of people’s banking rights and options. The *promotoras* campaign adapted a peer-education model widely used in the public health field and proven to improve health outcomes in Latino communities. New Economy Project and LESPFUCU trained the *promotoras* to provide basic know-your-rights education and information about the credit union’s services and held weekly meetings with the *promotoras* team to report on outreach goals and strategies, exchange feedback, answer questions, and collaborate on outreach.

The *promotoras* reached more than 500 community members, through presentations and informal street outreach, from January to March 2017. During that time, the LESPFUCU’s East Harlem branch opened twice as many new accounts compared to the same time period in previous years. The credit union’s staff credits this increase to the outreach conducted through this pilot intervention. Key to the *promotoras*’ effectiveness was their understanding of the local community and their ability to deliver information in a linguistically and culturally appropriate manner. The *promotoras* also dispensed information about low-cost “basic banking” accounts at mainstream banks and were seen as trusted and impartial sources of information. The women conducted outreach to their networks, including at their children’s schools and at their churches; to neighbors in their apartment buildings; and to staff and clients at LSA and other community organizations. The *promotoras* had notable success reaching street vendors and other hard-to-reach populations. In one instance, a street vendor opened an account and immediately applied for and received his first loan from the credit union as a result of the *promotoras* outreach.

Crucially, the *promotoras* also channeled input about community needs and preferences back to LESPFUCU to inform and shape credit union products, services, and marketing in the neighborhood. Over the course of this brief intervention, the *promotoras* brought several issues to the attention of the credit union, which the staff then used to adjust account policies and customer service protocols.

The women identified, for example, an inconsistency regarding stated identification requirements to open savings and checking accounts. The credit union clarified its policy of accepting identification numbers from any valid government-issued ID, including IDNYC, to ensure that membership and accounts are accessible to many more community members.

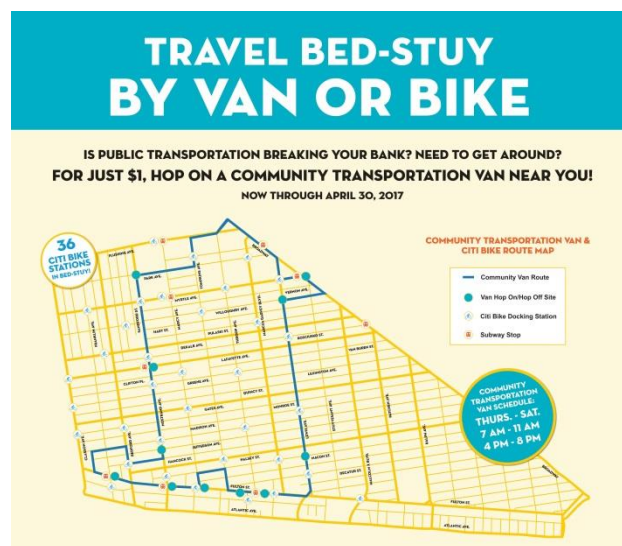
BEDFORD-STUYVESANT

In Bedford-Stuyvesant, the BSRC team partnered with Highbrid Media—an organization that operates a fleet of “Dollar Vans”—to create a Community Transportation Van dubbed the “Bed-Stuy Shuttle” in order to provide accessible and affordable travel between the residential areas of Northern Bedford-Stuyvesant and the commercial corridors of Southern Bedford-Stuyvesant.

During the CNFH community workshops, the spatial disconnect between residents and services had been identified as a source of added expenses, and even of physically unhealthy consumption choices.

The disconnect means that many residents spend money on private transportation in order to access healthier food options.

The original van route was designed with the aim of shuttling residents to services along major business corridors within Bedford-Stuyvesant (along Nostrand Avenue, Fulton Street, and Lewis Avenue) and to



connect residents to major subway lines (A, C, G, J, M, and Z trains). The van operated from Wednesday to Saturday, from 7 a.m. to 11 a.m. and 4 p.m. to 8 p.m. for eight weeks starting in March 2017. For marketing purposes, the van offered free rides for the first week following its launch. In subsequent weeks, rides were just \$1 per ride regardless of distance.

Over the course of the intervention, the van was used as a tool for data collection from neighborhood residents and for outreach by BSRC and other community partners. The van was staffed with one driver and one “community coach” from BSRC’s existing community

programs to help with outreach to riders during each van shift. Community coaches, who are residents of the target areas, trained in outreach, and knowledgeable of local social services, were responsible for capturing basic contact information from van riders.

Although residents, business owners, and field partners anecdotally expressed excitement and interest in having a “Dollar Van”-like service available in Bedford-Stuyvesant, the data on actual participation shows that it takes time to generate momentum for such initiatives. Additionally, the operational complexity of deploying a new public transportation option requires several iterations to perfect, which was not possible during the short life span of this intervention. Based on customer feedback, BSRC adjusted the hours of operation (removing Saturday early morning hours) and extended the route to connect to other “Dollar Van” services that run along Flatbush Avenue in Brooklyn. These changes and increased marketing drove an increase in ridership late in the intervention, which in total reached 414 unique residents, with many residents using the service multiple times.

After the CNFH pilot ended, BSRC offered a second eight weeks of Community Van service, which saw a significant increase in van use, suggesting that, if offered as an ongoing and reliable transportation option, a similar van service could make significant community impact.

Additionally, the Community Van established an interesting method of neighborhood data collection as it allowed significant time for community coaches to interview riders about NFH. This finding led members of BSRC’s project team to explore deploying this intervention in other neighborhoods in New York City and in a second city as a potential tool to connect residents to goods and services, collect neighborhood data, and conduct community outreach.

NEIGHBORHOOD FINANCIAL HEALTH INTERVENTIONS PROPOSED BY PROJECT TEAMS

The CNFH project teams proposed a suite of interventions to positively impact NFH in East Harlem and Bedford-Stuyvesant. Each intervention focused on one or more of the NFH goals and ranged from being practical (able to implement in the short term) to requiring multiple years of planning and policy work prior to implementation.

EAST HARLEM

Pop-up Credit Union: Designed to improve access to high-quality financial products and services, this intervention would deploy a full-service mobile bus as a “pop-up” credit union at strategic neighborhood locations in collaboration with community stakeholders. The pop-up branch would increase the credit union’s visibility in the community; engage residents at convenient and trusted locations; and leverage collaborations with social services providers and membership organizations to integrate financial services into their programming.

Promotoras Outreach Campaign: East Harlem residents expressed lack of trust in financial institutions as a key barrier to accessing financial services. The *promotoras* outreach campaign would adapt a widely used community outreach/peer educator model to improve health outcomes in Latino communities with lower incomes. Community residents would be trained as *promotoras de salud financiera* (financial health promoters) to provide support to other neighborhood residents on matters, such as banking, credit, and financial goal setting. *Promotoras* would liaise between community members and service providers, channeling feedback to improve and increase the use of services.

Food and Financial Cooperative: Aimed at increasing access to financial services as well as groceries, this long-term intervention would entail a partnership to support creation of a food cooperative in East Harlem to provide affordable, healthy groceries and other needed resources to neighborhood residents. A local financial co-op and certified community development financial institution would provide needed financing and work with community stakeholders to build it out, ultimately becoming a tenant of the food co-op and operating a full-service branch inside the store. The joint co-op would ideally be sited on a local community land trust, which seeks to acquire residential property with commercial storefront space, to support collaboration and long-term sustainability.

Youth Farm/Community Supported Agriculture: Designed as both a soft skills jobs training program and as a means to increase access to healthy food in East Harlem, this intervention would launch a school-based, youth-operated farm or garden, enabling students to grow food and acquire job skills and an understanding of food systems, building a foundation for activism. This intervention would address the scarcity of high-quality and affordable food, as well as the lack of jobs and training opportunities for youth in a neighborhood.

Cooperative Neighborhood Development Pilot: This intervention would aim to increase the capacity of the East Harlem community to improve its own NFH through the development and integration of worker, housing, consumer, and financial cooperatives. It would consist of a concerted initiative by NYC government, in collaboration with local groups, funders, and other stakeholders, to promote cooperative economic development in East Harlem (or a subarea) through policy, funding, and programmatic strategies. By focusing on a single neighborhood, NYC and other stakeholders could coordinate and test various strategies to support place-based, cross-sectoral cooperative development. The intervention would support the development of affordable, own-able cooperative housing, consumer and financial services cooperatives, as well as employee-owned businesses.

BEDFORD-STUYVESANT

Bed-Stuy Shuttle: To address the need for intraneighborhood transportation, the lack of which blocks access to financial and consumer goods and services, this intervention would support the development of a “Dollar Van” to connect residents to fresh and affordable groceries, shops, and services, which are currently difficult for residents to access.

Reduced Citi Bike Membership: This intervention would address the costs associated with intraneighborhood travel—many residents rely on black cars—by providing reduced cost Citi Bike memberships and tracking savings benefits associated with being a Citi Bike member. Local community organizations could promote reduced-cost Citi Bike membership, work with Citi Bike to locate docking stations to maximize community use, and use Citi Bike’s existing technology to monitor Citi Bike usage for individuals enrolled in the program to determine overall impact.

NeighborMap: This intervention can increase awareness of the array of goods and services in a neighborhood that can contribute to an individual’s financial health by partnering with MapsCorps, an organization that trains youth to be “citizen data scientists.” Local youth would be trained on how to create a multilingual digital and print map of the neighborhood to help residents learn about services and stores in their neighborhood, including what they offer, hours of operation, and payment forms accepted.

Neighborhood Investment Campaign: This intervention could provide neighborhood residents with an opportunity to own a business of their choosing to better serve their community and give local residents neighborhood financial efficacy. Residents would have an opportunity to attend workshops on investment and business development and learn the benefits of community ownership models. Following business planning, community members would solicit investments from other residents and businesses and could pursue other funding from local institutions and partner organizations through a matching program or charitable gifts.

Neighborhood Entrepreneurship Incubator: This intervention could provide residents with an opportunity to launch new businesses that improve the NFH of the local community while boosting residents’ individual financial health. The intervention would provide a multistage small business incubator, starting with a small business training course and followed by a pitch competition open to businesses that improve the neighborhood’s impact on the financial health of all of its residents or that commit to hiring local residents. The winners of the pitch competition would gain access to a second round of support, including further training, mentorship, exposure for their business idea, feedback from seasoned entrepreneurs, and potentially access to financing.

Services Made Mobile: The purpose of this intervention would be to increase enrollment in programs that provide income supports and access to jobs by making enrollment in multiple programs easier and more private. During the CNFH workshops, residents reported that the stigma of enrolling for benefits was a significant barrier to using various public programs. In this program, rather than having residents travel to different offices to enroll for medical benefits, food stamps, childcare, financial counseling, etc., these services would be made available via an ambulatory van that would travel throughout the neighborhood and park in locations convenient for residents.

OVERALL FINDINGS

Our methodical approach to engaging the study neighborhoods, stakeholders, and residents yielded not only the definition of NFH, indicators, framework, and resulting interventions, but also a number of findings. Beyond the five Key Findings described in the Executive Summary, we outline additional findings in this section.

FINDING #1

NEIGHBORHOODS INFLUENCE THE FINANCIAL OUTCOMES OF THEIR RESIDENTS.

Throughout CNFH's research, community members and stakeholders described their neighborhood as strongly influencing the financial health and long-term outcomes of residents. Stakeholders attributed this influence to three sources:

1. the neighborhood economic landscape (housing stock, available financial services, grocery stores etc.);
2. the social services available in the neighborhood;
3. the neighborhood's existing social networks, which propagate systems of shared beliefs and practices.

For example, the CNFH intervention in East Harlem leveraged belief systems and community practices in an attempt to inspire residents' further engagement with some of the economic resources available in the neighborhood.

The CNFH intervention in Bedford-Stuyvesant operated outside the reach of commonly held beliefs and practices to provide residents with an alternative resource to help mitigate financial distress.

Significantly, an increasing body of quantitative research shows strong correlations between residents' neighborhoods and their long-term financial health; however, further research is needed to demonstrate a causal relationship and, most important, to identify neighborhood conditions that most effectively lead to positive financial health outcomes for New Yorkers with low and moderate incomes.

FINDING #2

THE PRESENCE IN A NEIGHBORHOOD OF A PRODUCT OR SERVICE THAT SUPPORTS INDIVIDUAL FINANCIAL HEALTH DOES NOT NECESSARILY TRANSLATE TO ACCESS.

Residents and stakeholders repeatedly cited the *presence* of a beneficial product, such as affordable savings accounts, but revealed nuanced reasons why those services or products were inaccessible to many residents.

For example, the *presence* of a bank or credit union branch in a community does not translate to *access*—measured by CNFH in terms of the presence, quality, and accessibility of services, as well as

the trust neighborhood residents have in services—if there are perceived and/or structural barriers, including:

1. if the bank or credit union imposes identification or minimum balance requirements that are prohibitive to most residents;
2. if residents share a perception that most mainstream financial institutions are untrustworthy, confusing, expensive, or unwelcoming.

These reported systemic issues within neighborhoods reflect findings from OFE’s *Immigrant Financial Services Study*, which looked specifically at the financial needs and practices of recent immigrants.

FINDING #3

A RELATIVELY SMALL NUMBER OF BUSINESSES IMPACT A NEIGHBORHOOD’S FINANCIAL HEALTH DIRECTLY AND SIGNIFICANTLY.

One of CNFH’s most important findings is that grocery stores, financial services businesses, childcare, and affordable housing have a direct and significant impact, both adverse and beneficial, on a neighborhood’s financial health. Excluding housing, these entities represent a relatively small number of marketplace actors that nevertheless have an outsize impact on neighborhood financial health.

FINDING #4

AS ONE WOULD EXPECT, LOWER INCOME NEIGHBORHOODS CORRELATE WITH LOWER NEIGHBORHOOD FINANCIAL HEALTH; HOWEVER, THE WAYS IN WHICH LOWER FINANCIAL HEALTH MANIFESTED IN LOWER INCOME NEIGHBORHOODS DIFFERED SIGNIFICANTLY.

Although both East Harlem and Bedford-Stuyvesant report lower median incomes, how suboptimal neighborhood financial health reveals itself in each neighborhood is different. For example, East Harlem has substantially better access to groceries in terms of supermarket square footage per 100 residents compared to Bedford-Stuyvesant, but Bedford-Stuyvesant has fewer check cashers and pawnshops relative to bank and credit union branches compared to East Harlem.

Additionally, the CNFH found that the responses to qualitative questions differed significantly in the two neighborhoods, which resulted in designing different interventions to increase neighborhood financial health.

FINDING #5

OWNERSHIP—ESPECIALLY STABLE, AFFORDABLE, AND OWN-ABLE HOUSING—IS FUNDAMENTAL TO AN INDIVIDUAL’S ABILITY TO BUILD FINANCIAL HEALTH AND ASSETS OVER TIME.

Rapidly rising housing prices make it difficult for families with low incomes to own an apartment or house and save for the future, and this dearth of permanently affordable housing keeps residents from building assets. Similarly, high rents, difficulty accessing financing, and other challenges make it difficult for many New York residents and nonprofits to access business ownership as asset building and

community change tools. These ownership challenges are beginning to be addressed by City agencies in the Housing New York 2.0 plan, as well as through the Worker Cooperative Business Development Initiative, but the structural forces acting to limit access to ownership are significant. These forces can be seen at work in Bedford-Stuyvesant and East Harlem where the residential sales price per square foot has risen 139 percent and 158 percent, respectively, from 2010 to 2015. Longtime residents in rapidly changing neighborhoods fear that rising rents, along with tenant harassment and other pressures, will displace them from their neighborhoods, deprive them of social capital, and diminish community efficacy. The effect of displacement on financial health is significant in that displacement can disrupt informal and formal systems that support relative financial stability, such as access to credit and childcare.

FINDING #6

NOTWITHSTANDING ACUTE FINANCIAL DISTRESS IN MANY NEW YORK CITY COMMUNITIES, RESIDENTS ALSO FIND WAYS TO SUPPORT ONE ANOTHER'S NEEDS, NAVIGATE SYSTEMS, AND ORGANIZE FOR IMPROVED NEIGHBORHOOD CONDITIONS.

People with low incomes living in high-cost neighborhoods employ a multitude of coping strategies to improve their own and their neighbors' financial resilience.

FINDING #7

RESIDENT ENGAGEMENT AND COMMUNITY PARTNERSHIPS ARE VITAL TO UNDERSTANDING AND IMPROVING NEIGHBORHOOD FINANCIAL HEALTH.

Residents are the experts of their own communities. The CNFH continually elicited residents' input as we developed and tested neighborhood financial health indicators, as well as piloting place-based interventions. By partnering with trusted neighborhood organizations, the CNFH engaged a broad swath of residents; this model also built capacity at local organizations.

FINDING #8

THE IMPACT OF NEIGHBORHOODS ON THE ABILITY OF RESIDENTS TO BUILD ASSETS AND ACHIEVE FINANCIAL HEALTH REVEALS THE CONNECTION BETWEEN INDIVIDUAL FINANCIAL EMPOWERMENT AND EFFORTS TO CREATE A MORE EQUITABLE ECONOMY.

The CNFH project has illuminated the connection between individual financial empowerment and such diverse fields as community development, food policy, and economic development. Adopting the lens of neighborhood financial health may allow these related fields to expand the reach and impact of their work. The findings of the CNFH further reveal the necessity of working across City agencies to increase neighborhood financial health.

FINDING #9**NEIGHBORHOOD FINANCIAL HEALTH IS INHERENTLY CONNECTED TO AND IMPACTED BY BROADER ECONOMIC SYSTEMS.**

Many of the barriers to individual financial health identified in the research are not endemic to the two neighborhood subareas but instead are manifestations at the neighborhood level of systemic issues and inequality. Neighborhood financial health can create resiliency among residents, limiting the impact of changes in broader economic systems. Still, shifting regional and national economic conditions will over time create change in both individual and neighborhood financial health.

CONCLUSION: MOVING FORWARD

The Key Findings from this first phase of work examining NFH open broad new areas of research, policy, and programmatic interventions for OFE to explore with our partners across the city as we continue to expand our core strategy: *Empowering Neighborhoods to Generate Wealth*.

RESEARCH

In the coming years, we will focus our research on identifying the causal connections between a resident's financial health, whether high or low, and the characteristics of that resident's neighborhood; examining citywide trends in access to ownership; and documenting barriers in the creation of financially healthy neighborhoods.

POLICY AND PROGRAMMATIC INTERVENTIONS

It is clear that there is a role for policymakers to address issues of neighborhood financial health. While neighborhoods have distinct financial health challenges, the importance of a select few overarching goals and marketplace actors make it possible to create meaningful policies to support NFH across the city. However, it is imperative that collaboration be at the center of community wealth building policy: collaboration across City agencies that focus on housing, small business, and economic development and active collaboration with neighborhood residents, civil society, and the financial services industry. Meaningful and creative engagement of community residents and trusted organizations is essential to ensure effective program design and sustained community support. And ongoing partnerships with City agencies will enable policy and programs to increase New Yorkers' access to the businesses and services necessary in their neighborhoods to increase NFH.

Interventions should seek to support the formation of community-owned neighborhood economic actors; permanently affordable and own-able housing; and the creation and retention of grocery stores, financial services, and childcare providers to serve the needs of a neighborhood's residents. These interventions may involve strengthening existing community development tools, such as community land trusts and community or cooperatively owned property, or providing property tax relief for key marketplace actors that open in previously empty storefronts.

Additionally, these policies may build on existing policies from other cities and regions; for example, providing income tax breaks to community-owned enterprises in return for a commitment to growth or implementing new models of shared equity housing that incentivize the development of new constructions on vacant lots and City property.

These policy reforms will not only enable New York City residents to participate in shaping their community, but open up the possibility of owning property in their neighborhoods. Findings from the CNFH and other research highlight the role that property ownership plays in long-term financial stability for families. When residents own their businesses and homes, they are invested in the community in a

more powerful way. Not only are they connected to their neighbors, but they are also connected to the financial success of the community. The neighborhood itself must take the lead long after City agencies have played their role.

For the next phase of CNFH, OFE is experimenting with neighborhoodwide strategies to help lift New Yorkers out of poverty and exploring interventions that will directly improve NFH:

- First, through engagement with trusted community partners, we want to work with communities to understand and shift communally held beliefs and practices about individual financial health.
- Second, we want to increase access to financial goods and services that meet the needs of a neighborhood's residents, such as financial institutions that build trust, meet short- and long-term needs, and adapt to new technological and business models for service delivery.
- Third, we want to work with community and agency partners to create tools that neighborhoods can use to increase ownership and empower their residents.

New York City has long been the city for dreamers and new beginnings, built on hope, opportunity, and a communal vision of belonging. These are at the heart of the CNFH: neighborhoods in which residents are included in decisions, have quality of life, and are empowered to own their homes and businesses. Indeed, focusing on neighborhoods—and not just individuals—gets us closer to a more equitable city, one in which neighborhoods are shaped by residents to work for residents.

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APPENDIX A:

RELATED MEASUREMENT TOOLS & RESOURCES

NEW YORK CITY RESOURCES

The Mayor's Office of Operations released its **Social Indicators Report** in May 2016. The report presents data from 45 indicators within eight domains addressing social conditions on New York City. The report aims to simultaneously provide an accurate picture of the city's social conditions in order to support data-driven solutions and to guide efforts to reduce disparities. The report can be found at: <http://www1.nyc.gov/site/opportunity/reports/social-indicators-report.page>.

CUNY's Institute for State and Local Governance has developed 96 **Equality Indicators** across six thematic areas in order to measure change toward or away from equality in these areas, with the goal of targeting and developing policy recommendations to improve outcomes for those who are disadvantaged. Descriptions of the indicators can be found at: <http://islg.cuny.edu/sites/our-work/equality-indicators/>.

The Citizens' Committee for Children has developed **Keeping Track of New York City's Children**, which incorporates hundreds of indicators that affect children's well-being. Descriptions of these indicators can be found at: <http://data.cccnewyork.org/>.

The Association for Neighborhood and Housing Development (ANHD) has created **equitable community development indicators** for New York City neighborhoods, using a variety of publicly available data sources (ANHD 2015). Indicators are categorized into "income and benefits," "employment and education," "community and infrastructure," "banking and access," and "investment." The banking and access indicators include percent of population with high credit card debt, bank branches per 10,000 people, and limited English-speaking households. Descriptions of these indicators can be found at: <https://anhd.org/resources-reports/equitable-economic-development-interactive-map/>.

New York City's **Community Health Profiles** examine the health of the city's 59 Community Districts by examining a broad range of neighborhood health issues. They can be found at: <https://www1.nyc.gov/site/doh/data/data-publications/profiles.page>.

OTHER RESOURCES

Enterprise Community Partners, a national intermediary organization, has developed a **Communities of Opportunity Index**, which identifies a set of circumstances that make it possible for people to achieve their goals. This tool is still in development, but more information can be found at: <http://www.enterprisecommunity.org/research-and-resources/opportunity360>.

The **San Francisco Indicator Project**, developed by the Department of Public Health, measures indicators within eight dimensions of a "healthy, equitable community," in order to support social and physical communities that meet the needs of all citizens. Descriptions of these indicators can be found at: <http://www.sfindicatorproject.org/>.

APPENDIX B:

NEIGHBORHOOD PROFILE DATA METHODOLOGIES AND SOURCES

POPULATION: Census American Community Survey, 2015 1-year sample

AGE DISTRIBUTION: Census American Community Survey, 2015 1-year sample

RACE/ETHNICITY: Census American Community Survey, 2015 1-year sample

% PERSONS IN LIMITED ENGLISH-SPEAKING HOUSEHOLDS: Census American Community Survey, 2015 1-year sample

% PERSONS IN POVERTY: Census American Community Survey, 2015 1-year sample

% BA+ AMONG 25+: Census American Community Survey, 2015 1-year sample

MEDIAN HOUSEHOLD INCOME: Census American Community Survey, 2015 1-year sample

PERCENT CHANGE IN RESIDENTIAL SALES PRICE PER SQUARE FOOT, 5-YEAR (2010-2015): Association for Neighborhood and Housing Development. "How Is Economic Opportunity Threatened In Your Neighborhood." 2016.

SERIOUS HOUSING CODE VIOLATIONS PER 1000 PRIVATELY OWNED RENTAL UNITS: 2015, NYU Furman Center [CoreData.nyc](#)

SERIOUS CRIME RATE: 2015, NYU Furman Center [CoreData.nyc](#)

JAIL INCARCERATION PER 100,000 ADULTS 16 AND OLDER (2014): NYC Department of Health and Mental Hygiene (DOHMH) Community Health Profiles, 2015. Based upon 2014 Department of Corrections data with processing by NYC Center for Innovation through Data Intelligence.

DISCONNECTED YOUTH: Census American Community Survey, 2015 1-year sample

PERCENT OF HOUSEHOLDS RECEIVING SNAP BENEFITS: Civis Analytics analysis done by providing estimates of the Earned Income Tax Credit (EITC) and Supplemental Nutrition Assistance Program (SNAP) eligible populations, the population density of non-participating eligible, and participation rates at the Public Use Microdata Area (PUMA) level for NYC.

HOUSEHOLD INCOME QUINTILES: Census American Community Survey, 2015 1-year sample

COMMERCIAL BUSINESS DENSITY: Department of Consumer Affairs' analysis

