

OPPORTUNITY360 INDEX METHODOLOGY

The Opportunity 360 Measurement Report measures outcomes across the following five dimensions:

- Housing Stability
- Education
- Health and Well-Being
- Economic Security
- Mobility

Each of these five outcome dimensions is measured by an index value calculated from a combination of neighborhood-level (census tract) variables, or indicators. The indicators are normalized to a common scale and averaged together to create percentile ranking scores for each dimension. The details of these methods are described below.

FRAMEWORK AND INDICATOR SELECTION

The outcomes framework categories and indicators were derived from the findings of Enterprise's *Communities of Opportunity Working Group* in 2015 and 2016. This group, comprised of leaders and staff from Enterprise, created an opportunity assessment framework by identifying the dimensions of opportunity that matter to Enterprise, its partners and the people it serves. The group also identified key indicators that could be used to assess each dimension. That list was refined and finalized by Enterprise's *Knowledge, Impact and Strategy* group through research and evaluation, and is updated periodically in response to new research developments or changing data availability. The impact of each selected indicator on opportunity and resident well-being is discussed in more detail within the relevant sections of each Opportunity360 Community Dashboard.

The selected indicators for each dimension are listed below. Sources are noted in parentheses. The +/- sign indicates the directionality of the indicator. A '+' sign indicates that a higher value will positively affect (raise) the index score, while a '-' sign indicates that a higher value will negatively affect (lower) the index score.

HOUSING STABILITY

Indicator	Directionality	Data Source	More Information
Homeownership Rate	+	ACS, 2018 5-Year	Link to Data Library
Percent of Renter Households Receiving Project-Based Housing Assistance	+	HUD, 2018 Picture of Subsidized Households*	Link to Data Library
Percent of Renter Households Receiving Housing Choice Vouchers	+	HUD, 2018 Picture of Subsidized Households*	Link to Data Library
Percent of All Low-Income Households that are Severely Cost-Burdened	—	CHAS, 2012-2016	Link to Data Library
Percent of Occupied Units that are Crowded or Over-crowded	—	ACS, 2018 5-Year	Link to Data Library
Percent of Occupied Units that are Crowded or Over-crowded	—	ACS, 2018 5-Year	Link to Data Library
Percent of Households that have Multiple Families or Unrelated Individuals	—	ACS, 2018 5-Year	Link to Data Library

*Within the Picture of Subsidized Households dataset, null values are treated as true zeros.

EDUCATION

Indicator	Directionality	Data Source	More Information
Percent of Adults age 25 years or older with a High School Diploma or Higher	+	ACS, 2018 5-Year	Link to Data Library
Percent of Adults age 25 years or older with Some College or an Associate's Degree or Higher	+	ACS, 2018 5-Year	Link to Data Library
Percent of Adults age 25 years or older with Bachelor's Degree or Higher	+	ACS, 2018 5-Year	Link to Data Library

HEALTH & WELL-BEING

Indicator	Directionality	Data Source	More Information
Percent of population with no health insurance	—	ACS, 2018 5-Year	Link to Data Library
Life expectancy	+	CDC, 2017	Link to Data Library

ECONOMIC SECURITY

Indicator	Directionality	Data Source	More Information
Median Household Income	+	ACS, 2018 5-Year	Link to Data Library
HUD Labor Market Engagement Index Score	+	Computed by mySidewalk based on HUD methodology	Link to Data Library
Percent of People in Poverty	—	ACS, 2018 5-Year	Link to Data Library
Unemployment Rate	—	ACS, 2018 5-Year	Link to Data Library

MOBILITY

Indicator	Directionality	Data Source	More Information
Percent of Workers Who Commute Using Public Transportation	+	ACS, 2018 5-Year	Link to Data Library
Percent of Workers Who Commute by Walking	+	ACS, 2018 5-Year	Link to Data Library
Average Travel Time to Work	—	ACS, 2018 5-Year	Link to Data Library
Percent of Workers Who Commute Over an Hour	—	ACS, 2018 5-Year	Link to Data Library
Percent of Households for Which No Vehicles are Available	—	ACS, 2018 5-Year	Link to Data Library

INDEX COMPUTATION

- 1) Indicators were collected for every census tract in the United States. In cases where no data were available, fields were left as null values¹.
- 2) From this national dataset, both the mean (μ) and the standard deviation (σ) were calculated.
- 3) Each indicator was then standardized by converting to a z-score. To do this, each tract value was subtracted from the national average, then divided by the indicator's standard deviation.

$$z(i) = \frac{(i - \mu)}{\sigma}$$

¹ Percent of Renter Households Receiving Project-Based Housing Assistance and Percent of Renter Households Receiving Housing Choice Vouchers were converted to zero values.

- 4) Next, we made directional adjustments by multiplying the z-core values of **negative indicators**² by (-1)
- 5) Next, we computed the unweighted average of the standardized indicators for a given category to derive the Composite Index Score (*C*).

$$c = \frac{1}{n} \sum_{i=1}^n z_i$$

- a) Where *c* can be any category (housing stability), z_i represents the standardized value of an indicator in the category (z-score of homeownerships)
 - b) Two conditions should be true before calculating the average, the total population for each census tract should be greater than or equal to 50, **AND** for each census tract, there should be no null values across the indicators for the dimension.
- 6) Lastly, after averaging the standardized variables, we computed the percentile rank for each census tract in the country based on the averaged z-score values. Null census tracts are excluded from the ranking process.

INTREPRETATION

A score of 50 means the tract is in the 50th percentile—half of all tracts in the country have higher scores and half have lower scores. The region and state scores reflect the percentile ranking of the selected tract as compared to all other tracts within those areas.

² Negative indicators are those variables with a negative sign (e.g. -Percent of Households for Which No Vehicles are Available)