Graphic Detail

Geographic Information Systems organize and clarify the patterns of human activities on the earth's surface and their interaction with each other. GIS data, in the form of maps, can quickly and powerfully convey relationships to policymakers and the public. This department of Cityscape *includes maps that convey important housing or community development policy issues or solutions. If you have made such a map and are willing to share it in a future issue of* Cityscape*, please contact david.e.chase@hud.gov.*

High Business and Residential Vacancy Rates

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The recent upheaval in the housing and mortgage markets and the downturn in commercial activity have increased concerns about the viability of many communities. Long-term vacancies, whether residential or commercial, can affect the value of property in surrounding neighborhoods, the quality of life within communities, and the overall local economy. In response to these concerns, the U.S. Department of Housing and Urban Development (HUD) has developed maps of the distribution of high vacancy rates in various metropolitan areas. Two such maps, exhibit 1 and exhibit 2, represent the urban centers of the Denver, Colorado and Atlanta, Georgia metropolitan areas. The maps depict a relatively new vacancy data set HUD has obtained from the U.S. Postal Service (USPS).[1]

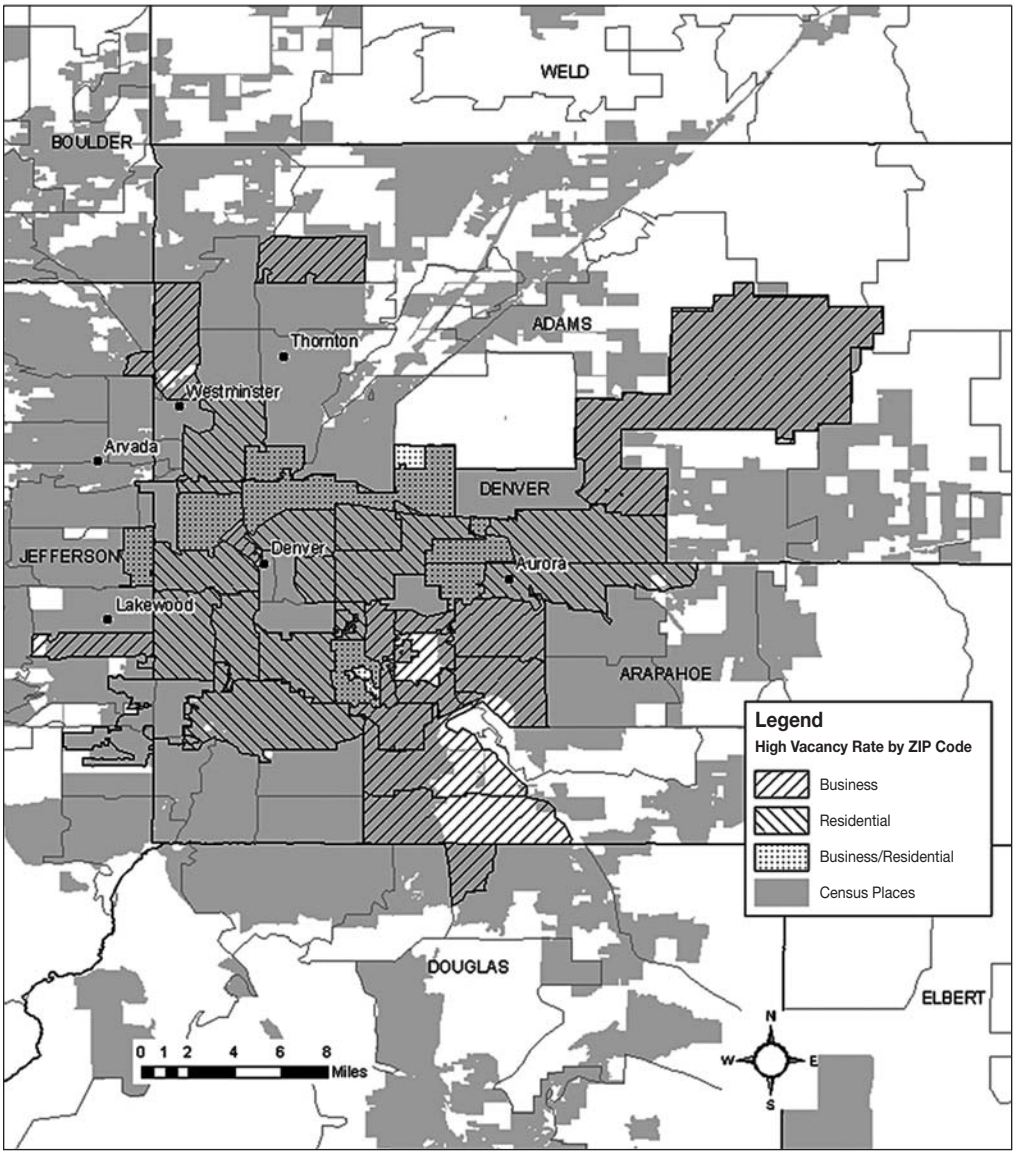
Exhibits 1 and 2 illustrate areas of high business and high residential vacancy rates by ZIP Code for December 2008. The ZIP Code areas of high business (left to right upward hatch), high residential (left to right downward hatch), and combined high business/high residential (stippled) are indicated in grayscale on the map. The 2000 Census Places have been added to show the urban centers of each metropolitan area. The text includes additional details on the construction of the maps.

One general observation can be made for both maps: high residential and high business vacancy rates occur in different ZIP Codes; relatively few ZIP Codes have a combination of both types of vacancies.

[1] HUD has entered into an agreement with the USPS to receive quarterly ZIP+4 extracts of addresses identified by the USPS as residential, commercial, or other. Under an agreement with the USPS, HUD aggregates this data to the census tract level for release to the public on HUD's Office of Policy Development and Research (PD&R) HUD USER website. The potential power of these data is that they represent the universe of all addresses in the United States and are updated every 3 months. HUD is making these data available for researchers and practitioners to explore their potential benefit for tracking neighborhood change. The USPS data and its documentation can be obtained from HUD at http://www.huduser.org/datasets/usps.html.

Exhibit 1

High Business and Residential Vacancy Rates by ZIP Code for the Denver, Colorado Metropolitan Area



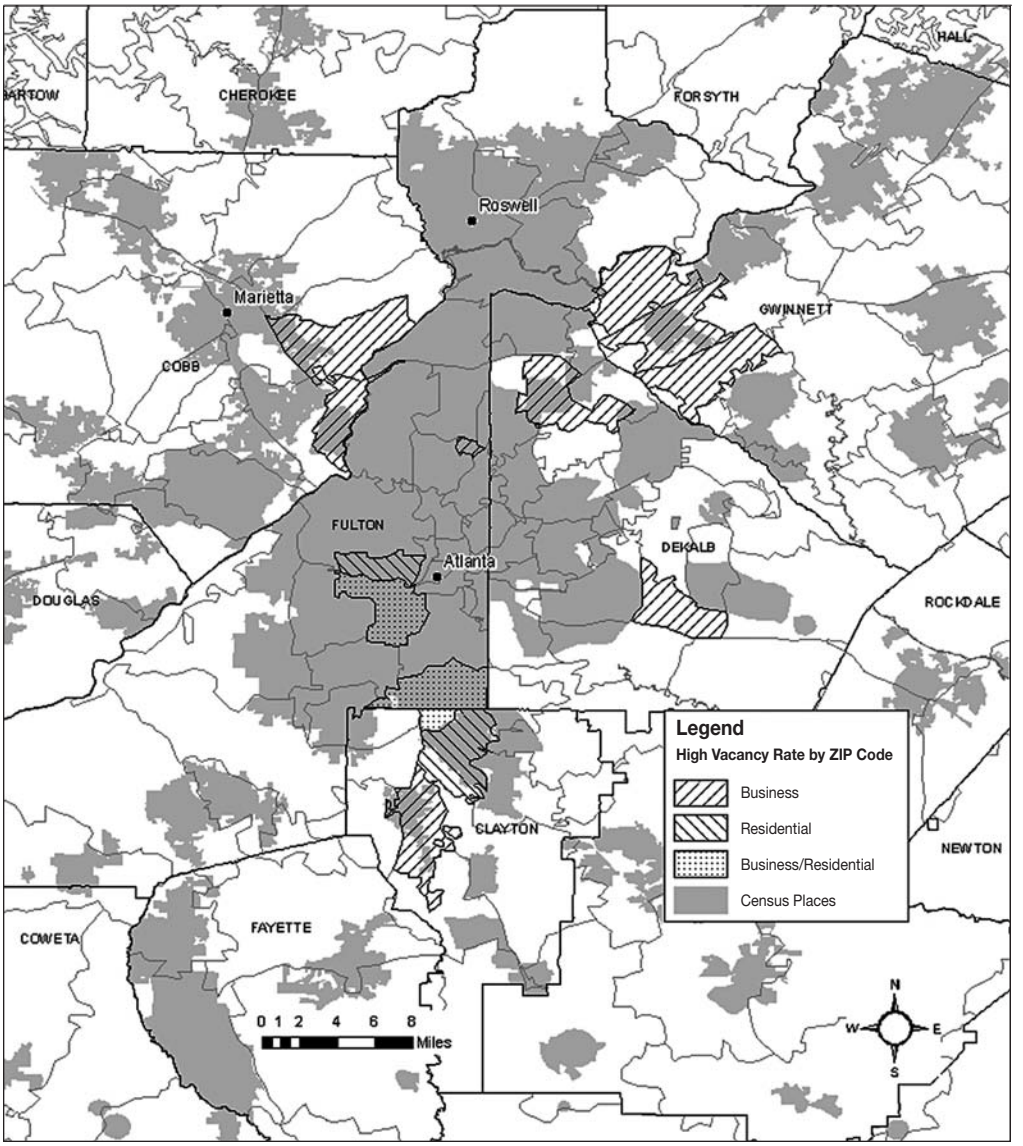
Author: KBM Group, Inc.,
U.S. Department of Housing and Urban Development,
Office of Policy Development and Research,
Office of Program Monitoring and Research.
July 2009.

Notes: ZIP Codes with residential vacancy rates above 4.77 percent and residential addresses above 515 (mean – 1 standard deviation) are shown. ZIP Codes with business vacancy rates above 17.02 percent and business addresses above 682 (mean) are shown.

Source: United States Postal Service address service data for December 2008

Exhibit 2

High Business and Residential Vacancy Rates by ZIP Code for the Atlanta, Georgia Metropolitan Area



Author: KBM Group, Inc.,
U.S. Department of Housing and Urban Development,
Office of Policy Development and Research,
Office of Program Monitoring and Research.
July 2009.

Notes: ZIP Codes with residential vacancy rates above 9.77 percent and residential addresses above 2554 (mean – 1 standard deviation) are shown. ZIP Codes with business vacancy rates above 16.71 percent and business addresses above 682 (mean) are shown.

Source: United States Postal Service address service data for December 2008

Exhibit 1 shows that many, if not most, ZIP Code areas in the central core of Denver County have high residential, high business, or a combination of both vacancy rates. Some of the ZIP Code areas in Arapahoe County, adjacent to Denver County, have high business vacancy rates, and two ZIP Codes have high residential vacancy rates. The southwestern portion of Adams County, adjacent to Denver County, has areas of high residential vacancy rates with one smaller area of high business and high residential vacancy rates. The areas with the highest vacancy rates, as described previously, occurred in the cities of Aurora and Denver, which constitute most of Denver County and part of Arapahoe County and are the urban center of the Denver, Colorado metropolitan area.

Conversely, exhibit 2 shows that most ZIP Code areas with high business and high residential vacancy rates are in the adjacent areas surrounding the urban center of the Atlanta, Georgia metropolitan area. Clayton, Cobb, DeKalb, Fulton, and Gwinnett Counties each have two or more ZIP Code areas with high business or high residential vacancy rates. Fulton County has the only areas with a combination of both high business and high residential vacancy rates that are located in the urban center. Unlike Denver, Atlanta appears to be more affected outside the central core.

These maps are not intended to explain thoroughly the patterns of residential and business vacancy in these two cities. They do, however, suggest that similarities and differences exist in those patterns across metropolitan areas and that further analysis of those patterns could yield a better understanding of the interrelationships between housing markets and the business cycle. Researchers and planners concerned about vacancies should consider exploring the USPS data to see whether these divergent vacancy patterns are consistent with facts on the ground and whether they hold true across other metropolitan areas. HUD is very interested in finding out how researchers use the USPS data. If you create any maps using the USPS data that you would like to share, or if you have any questions or comments, please send them to david.e.chase@hud.gov.

Acknowledgments

The author thanks Mark Shroder, David Chase, Robert Renner, and Jon Sperling for assistance in producing this article.

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