

10-1-2021

Investment Patterns in Mountain West States, Counties, and Nevada Cities 2005-2019

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Grema, P., Walusek, Z., Gilbertson, K. M., Brown, W. E. (2021). Investment Patterns in Mountain West States, Counties, and Nevada Cities 2005-2019. *Economic Development & Workforce Fact Sheet No. 42* 1-4.

Available at: https://digitalscholarship.unlv.edu/bmw_lincy_econdev/43

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INVESTMENT PATTERNS IN MOUNTAIN WEST STATES, COUNTIES, AND NEVADA CITIES 2005-2019

Economic Development & Workforce Fact Sheet No. 42 | October 2021

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PURPOSE:

The purpose of this fact sheet is to summarize findings on capital flows across Mountain West states and counties, and within Nevada cities. The “Gauging Investment Patterns across the US” report by the Urban Institute present findings of overall volume of capital deployed, racial equity of investments, and income equity for each respective geographic area.¹ The full report further breaks down these three main categories into 18 other metrics.

ABOUT THE DATA:

Investment is a combination of various loan types and destinations. The Urban Institute analyzed average funding per capita from private, federal, and mission financing sources between 2005 and 2019.² The Overall Volume (Percentile) ranking is comprised of purchase loans for single family and multifamily residential properties, loans for non-residential real estate, small business loans, mission lending, and federal investment/funding programs. Income Equity (Percentile) ranking is derived by assessing if, in each city, having a high neighborhood poverty rate strongly predicts that the neighborhood will receive a low amount of investment. Similarly, the Racial Equity (Percentile) ranking is found by assessing if communities of color are a strong predictor of low investment.

The organization of Mountain West related data displayed in this fact sheet is based on the Summation of Values statistic, found by adding the overall volume of investment, racial equity, and income equity percentile rankings. As a higher ranking is “better” in any category, the Summation of Values gives an at-a-glance assessment of a measured region’s overall performance. The Summation of Values column is organized around a local median, found from the summation of values data in each table. In several cases the national median is used for comparison, the national median being the median of all measured regions at in the city, county, and state categories in the original nationwide dataset. Median is used to account for extremities in limited local (Mountain West) data sets, in addition to better describing the property related dollar investment measurements found in the original data sets.

KEY FINDINGS:

1. Arizona, Colorado, Nevada, and Utah rank well above the national median for overall volume of investment yet rank well below the national median for racial and income equity. Contrary to this trend New Mexico exhibits a low overall volume of investment and high levels of racial and income equity.
2. Arapahoe County, CO has the most income equity but the least racial equity among Mountain West counties.
3. Paradise, NV has the highest amount of income equity among Mountain West cities, while Spring Valley, NV has the lowest amount of income equity among Mountain West cities.

¹ Urban Institute, “Gauging Investment Patterns across the US,” 2021 (apps.urban.org/features/capital-investment-flows/).

² Ibid

Table 1 presents the Overall Volume (Percentile), Racial Equity (Percentile), and Income Equity (Percentile) for each Mountain West state. It also includes the summation of these metrics to determine a median value (128, beige) and cities which fall below (light red) or exceed (light green) that median value. The highest (bright green) and lowest (bright red) percentile values for each category are also highlighted.

Colorado, Nevada, and Utah are all within the 90th percentile for volume of overall investment, while New Mexico is in the 20th percentile. The national median for overall investment is 52; this demonstrates four out of the five Mountain West states are above the national median. For the race equity metric, New Mexico has the highest percentile at 88, and Colorado has the lowest at 6. The national median for racial equity is 50; this demonstrates four out of the five Mountain West states fall below the national median. Similarly, New Mexico scores the highest among the Mountain West states for income equity at 46, and Nevada scores the lowest at 16. The national median for income equity is 44, with New Mexico barely above the median and the rest of the Mountain West states well below the national median. Thus, the summation of values indicates that New Mexico has the most investment in the Mountain West, followed by Utah. Colorado is the median for the summation of values while Arizona and Nevada tie for the lowest values.

Table 1: Mountain West States

State	Overall Volume (Percentile)	Racial Equity (Percentile)	Income Equity (Percentile)	Summation of Values
Arizona	78	28	18	124
Colorado	96	6	26	128
New Mexico	20	88	46	154
Nevada	94	14	16	124
Utah	90	24	30	144

* Adapted from “Gauging Investment Patterns across the US” by the Urban Institute.

Table 2 presents the Overall Volume (Percentile), Racial Equity (Percentile), and Income Equity (Percentile) for each Mountain West county. The table also includes a Summation of Values column to describe the overall placement of each county through comparison to a local median value of 142 (local meaning derived from exclusively Mountain West counties, not the full 255 counties measured nationally). Those counties with summation values below the local median are shaded in red, while those above are shaded in green. The highest (bright green) and lowest (bright red) percentile values for each category are also highlighted.

Boulder County, Colorado possesses both the highest summation value and the highest percentile volume of overall investment. Two Colorado counties almost share the lowest racial equity percentile ranking (Arapahoe County at 3 and El Paso County at 8) but with very different positioning around the summation of values median. El Paso County ranks at the bottom of the Mountain West and produces the lowest summation of values score. Arapahoe County, with an 85th percentile ranking in volume of overall investment, reports the highest local percentile of Income Equity, and the third highest Summation of Values score. Another noteworthy observation comes with the implementation of the national median of 149 in the Summation of Values column (the median derived from all 255 counties measured), which moves all the counties in Arizona to below or at the median.

Table 2: Mountain West Counties

County, State	Volume Overall (Percentile)	Racial Equity (Percentile)	Income Equity (Percentile)	Summation of Values
Boulder County, CO	90	57	87	234
Denver County, CO	89	36	60	185
Arapahoe County, CO	85	3	92	180
Salt Lake County, UT	84	18	77	179
Bernalillo County, NM	34	88	53	175
Pima County, AZ	32	69	48	149
Maricopa County, AZ	83	25	36	144
Pinal County, AZ	59	35	46	140
Adams County, CO	79	32	21	132
Weld County, CO	82	33	9	124
Washoe County, NV	72	15	37	124
Jefferson County, CO	81	13	23	117
Clark County, NV	84	15	18	117
El Paso County, CO	78	8	19	105

*Adapted from “Gauging Investment Patterns across the US” by the Urban Institute.

Table 3 summarizes the Overall Volume (Percentile), Racial Equity (Percentile), and Income Equity (Percentile) for Nevada cities. It also includes the summation of these metrics to determine a median value (114, beige) and cities which fall below (light red) or exceed (light green) that median value. The highest (bright green) and lowest (bright red) percentile values for each category are also highlighted. Sunrise Manor exhibits the lowest volume of community investment yet has the greatest racial equity of all Nevada cities listed. It ranks above the median when these values are summed (116). Meanwhile, Enterprise is in the 96th percentile of national overall investment but is in the bottom two percentile for racial equity and is below the median value of Nevada cities. Paradise exhibits the highest income equity and has the greatest sum value of cities listed (119), while Spring Valley has the lowest percentile income equity and is the farthest below the median (110). The national median of these summed metrics is 151, and all Nevada cities are below that level.

Table 3: Nevada Cities

City	Volume Overall (Percentile)	Racial Equity (Percentile)	Income Equity (Percentile)	Summation of Values
Paradise, NV	52	18	49	119
North Las Vegas, NV	89	9	18	116
Sunrise Manor, NV	33	53	30	116
Las Vegas, NV	63	29	22	114
Henderson, NV	85	15	13	113
Enterprise, NV	96	2	15	113
Reno, NV	60	19	32	111
Spring Valley, NV	73	28	9	110

*Adapted from “Gauging Investment Patterns across the US” by the Urban Institute.