



Improving Neighborhood Outcomes for Rental Assistance Recipients

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Recent Evidence on How Neighborhoods of Concentrated Poverty Affect Children's Well-Being

- Growing up in violent neighborhoods of concentrated disadvantage reduces children's verbal ability and cognitive performance (Robert Sampson, Patrick Sharkey, others)
- “Toxic stress,” which can be caused by severe hardship and exposure to violence, affects brain development, early learning, and the body's stress response system in ways that undermine cognitive development and long-term physical health (American Academy of Pediatrics)
- Effects of neighborhood disadvantage are cumulative, e.g., reducing children's odds of graduating from high school, and may be transmitted across generations (Sampson, Wodtke, Sharkey)



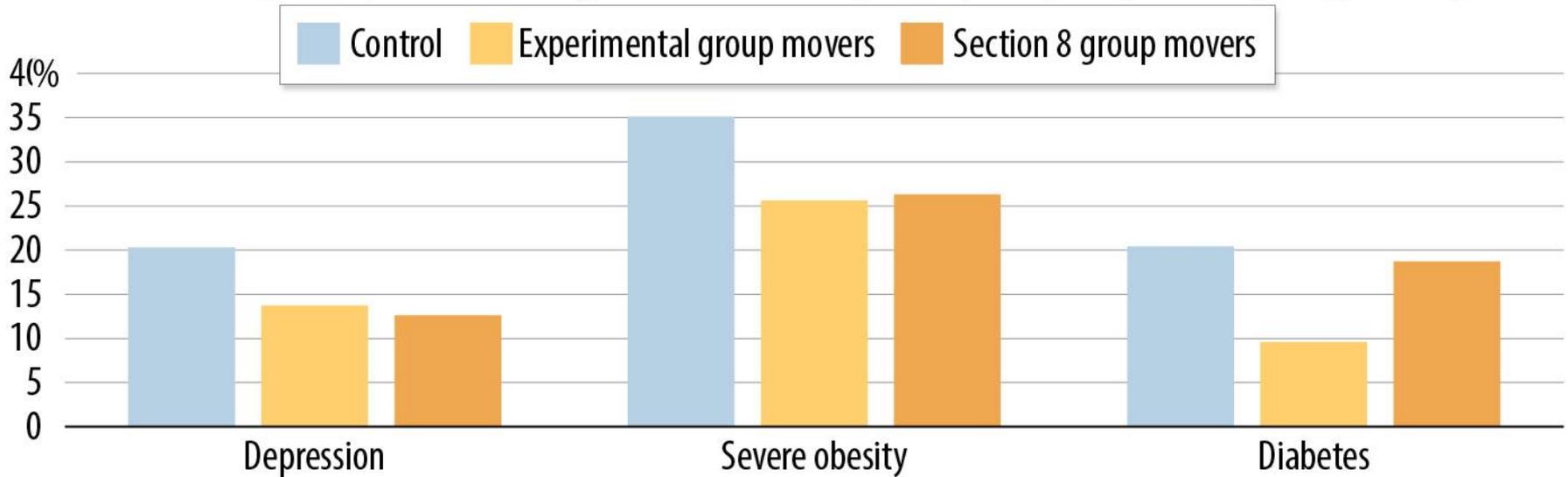
New Evidence on How Low-Poverty Neighborhoods Can Improve Children's Well-Being and Long-Term Success

- ***Moving to Opportunity Demonstration***: “experimental” study of ~4,600 low-income families over 15+ years; some received **housing vouchers** to move to lower-poverty areas from assisted housing in extreme-poverty neighborhoods
- Original study (2011) found large mental and physical health benefits for girls and mothers who moved under MTO. But there were negative mental health outcomes for boys & no educational gains for children or economic gains for parents
- But Chetty et al. (2015) found that children who were < 13 years old when their families moved were more likely to attend college, had higher incomes as young adults, and were less likely to be single parents



Moving to a Lower-Poverty Neighborhood Improved Adult Health

Incidence of depression, extreme obesity, and diabetes among adults participating in Moving to Opportunity

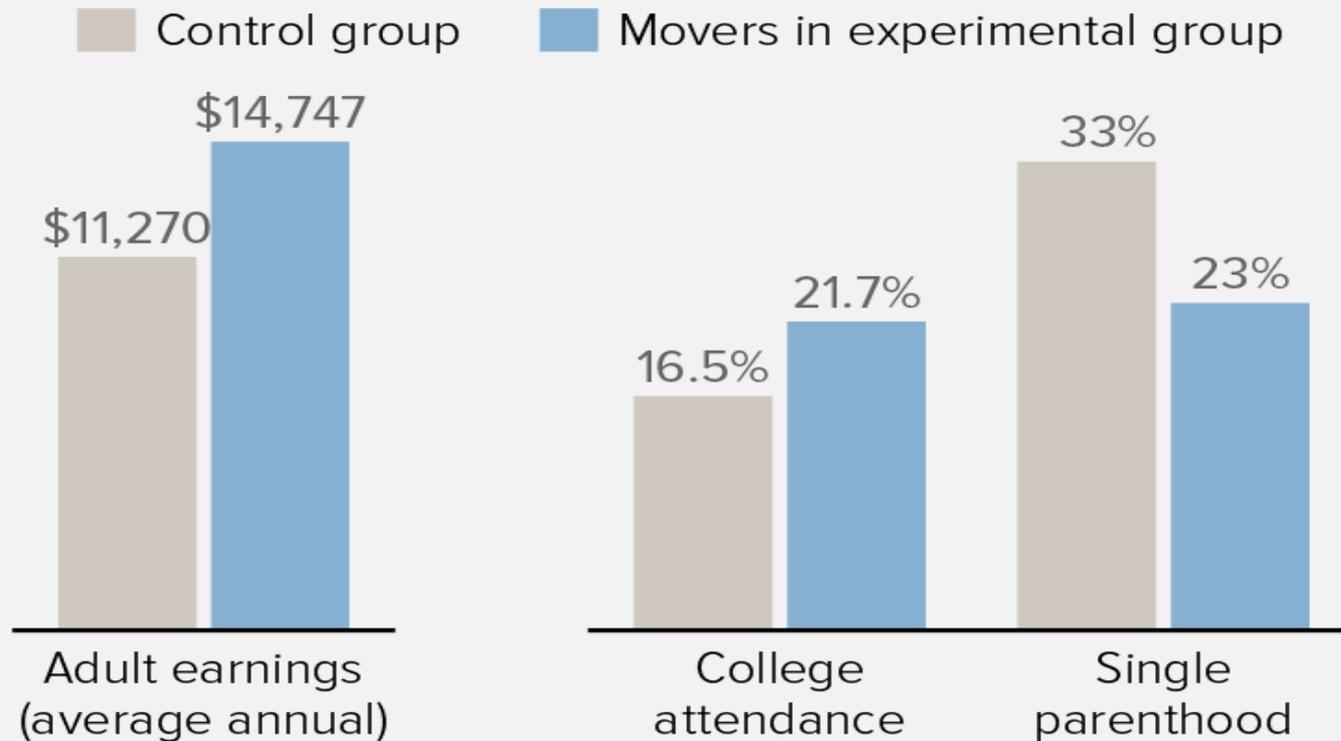


Note: "Experimental group" families received a housing voucher under the condition that they locate in a neighborhood where less than 10 percent of residents were poor. "Section 8" group families received a housing voucher without restrictions. "Control group" are low-income poor families that received no assistance under the Moving to Opportunity program. For the experimental and Section 8 groups, the data shown are for families that succeeded in using their voucher to move as part of MTO. For obesity and diabetes, results are from tests administered during the final MTO survey, 10 - 15 years after program entry. "Severe obesity" refers to a measured body-mass index greater than or equal to 35. For depression, results are self-reported in response to diagnostic questions about symptoms at any time in one's life. All differences shown between the control and other groups are statistically significant, except for the difference in the incidence of diabetes between the control and Section 8 groups.

Source: Sanbonmatsu, Lisa et al. 2011. Moving to Opportunity for fair housing demonstration program: final impacts evaluation. National Bureau of Economic Research.



Moving with Voucher to Lower-Poverty Neighborhoods While Young Improves Key Adult Outcomes



Note: Outcomes are for children up to age 13 the time of random assignment under the Moving to Opportunity demonstration. Experimental group families received vouchers that could only be used to relocate to neighborhoods where fewer than 10 percent of residents were poor; results are for children whose families used their voucher.

Source: Chetty *et al.*, 2015



More New Evidence on the Benefits of Assisted Housing Located in Low-Poverty Neighborhoods

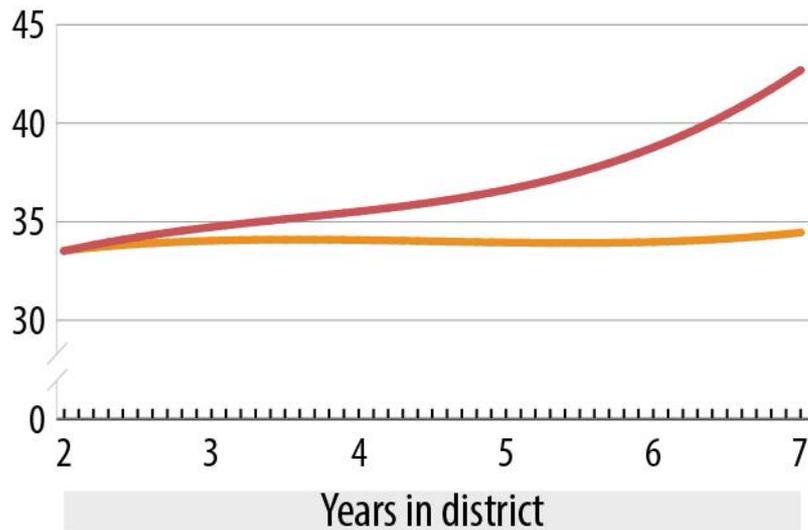
- Heather Schwartz (2010): Low-income children who lived in public housing in low-poverty neighborhoods with high-quality schools in Montgomery County, MD made large gains in reading and math scores compared with those who attended moderately-high-poverty schools



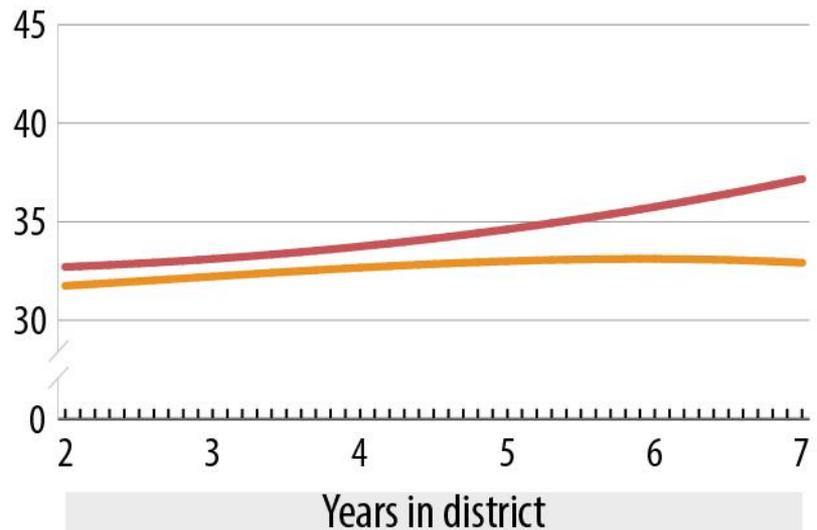
Schwartz (2010): Low-Income Children Attending Low-Poverty Schools Made Strong Gains in Math and Reading, Compared to Children in Moderate-to High-Poverty Schools

— Children in low-poverty schools — Children in moderate-to high-poverty schools

Average percentile rank of scores on standardized math tests



Average percentile rank of scores on standardized reading tests



Note: The children studied lived in public housing in Montgomery County, Maryland. "Low-poverty" schools are those where fewer than 20 percent of students are eligible for free or reduced-price meals (FARMS). In "moderate-to high-poverty" schools, 20 to 85 percent of students are eligible for FARMS. Test score percentiles are in relation to all children in county public schools.

Source: Heather Schwartz, "Housing Policy Is School Policy," in Richard D. Kahlenberg, ed., *The Future of School Integration* (Century Foundation, 2012).



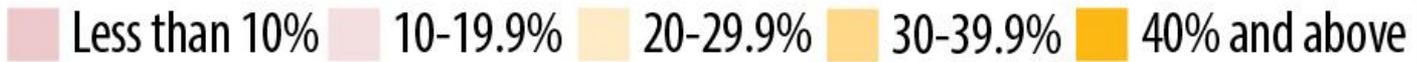
Where Do Children in HUD Rental Assistance Programs Live?

- Nearly 4 million children received rent subsidies through HUD's three major rental assistance programs in 2010
 - 15 percent lived in low-poverty neighborhoods
 - Only slightly more than the share of *all* poor children and far below the 46.5 percent of *all* children in low-poverty neighborhoods
 - 18 percent lived in extreme-poverty neighborhoods

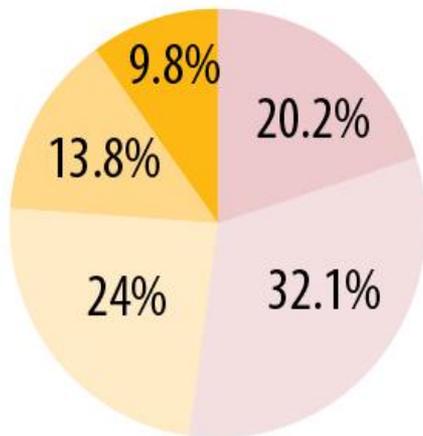


Vouchers Enable Larger Share of Children to Live in Lower-Poverty Neighborhoods Than Other HUD Programs

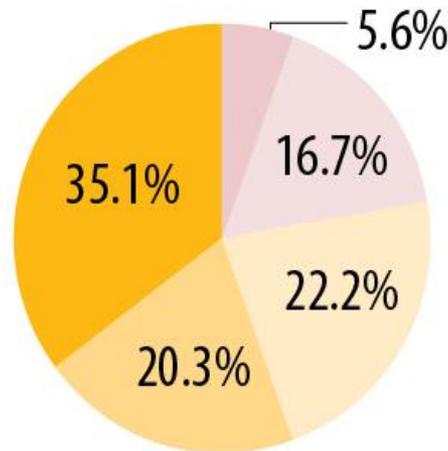
Where assisted families with children live, by poverty concentration



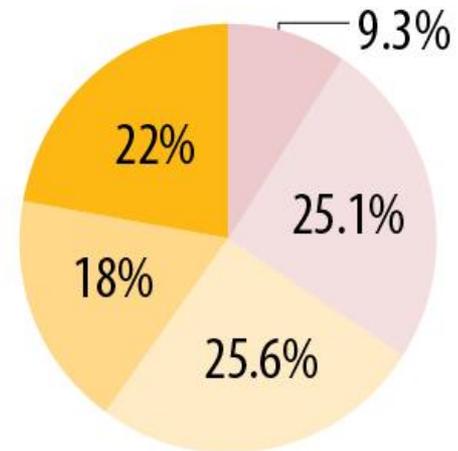
Housing Choice Vouchers



Public Housing



Project-Based Rental Assistance

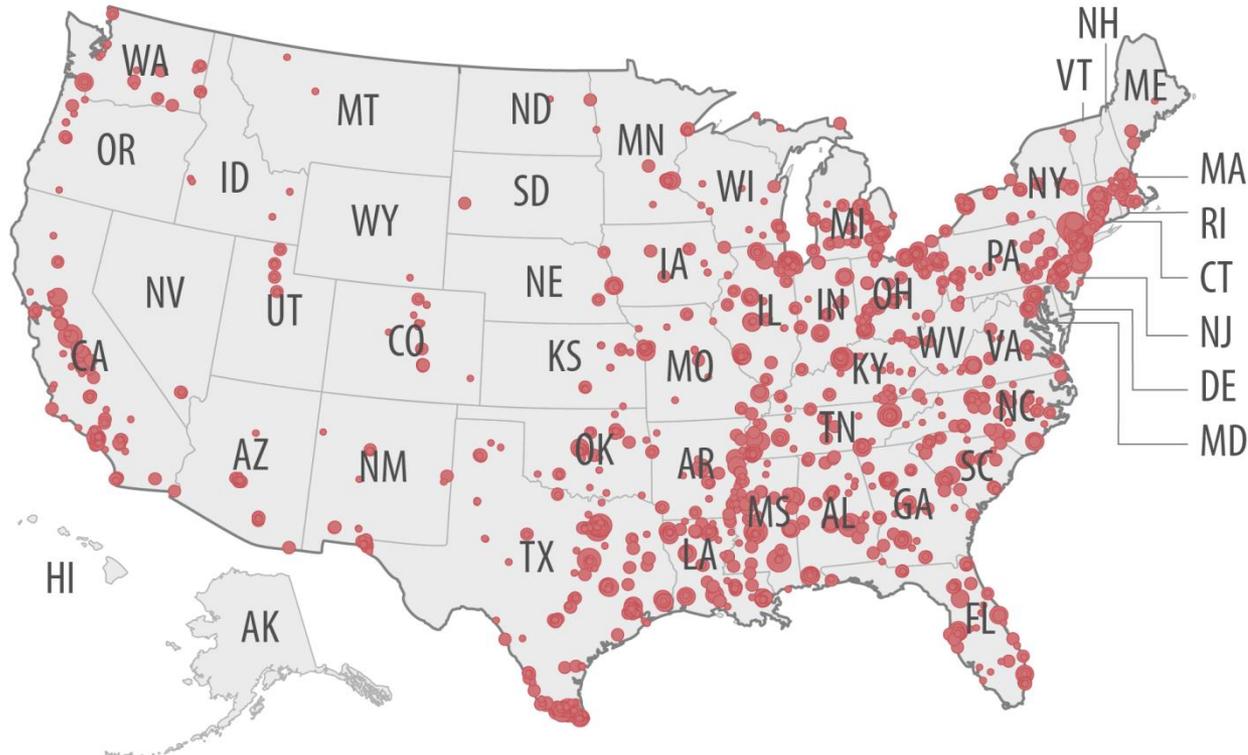


Source: CBPP analysis of HUD administrative data, 2010 and 2011, and 2009 and 2011 Census data.



Some Children in Nearly Every State Use Voucher Assistance in Extreme-Poverty Neighborhoods

Number of families with children using Housing Choice Vouchers in 2010 in tracts where more than 40 percent of residents were poor



Source: CBPP analysis of 2010 HUD administrative data and 2009 Census data



Realizing the Housing Choice Voucher Program's Potential to Enable Families to Access Higher-Opportunity Neighborhoods:

Theory of Change

More Families Would Move With:

- Better information and reminders about where they can move and potential benefits
- Encouragement (e.g., counseling, financial incentives/moving costs)
- Improved transportation to jobs and other key supports

More Families Could Move If They Had:

- Sufficiently high subsidy levels
- Willing landlords
- More search time in low-poverty areas

And If They Didn't Have:

- Added barriers to finding units in low-poverty neighborhoods
- Incentives to rent a larger unit in a higher-poverty neighborhood
- Extra costs to move to and live in low-poverty neighborhoods



Realizing the Housing Choice Voucher Program's Potential to Enable Families to Access Higher-Opportunity Neighborhoods:

What HUD Can Do

Create incentives for public housing agencies to modify practices, by:

- Revising performance assessment rule
- Issuing strong fair housing rule
- Providing additional administrative fees for "opportunity" moves

Require public housing agencies to:

- Set maximum subsidies based on Small Area Fair Market Rents
- Provide lists of willing landlords in diverse neighborhoods
- Allow additional search time for families to move to low-poverty areas

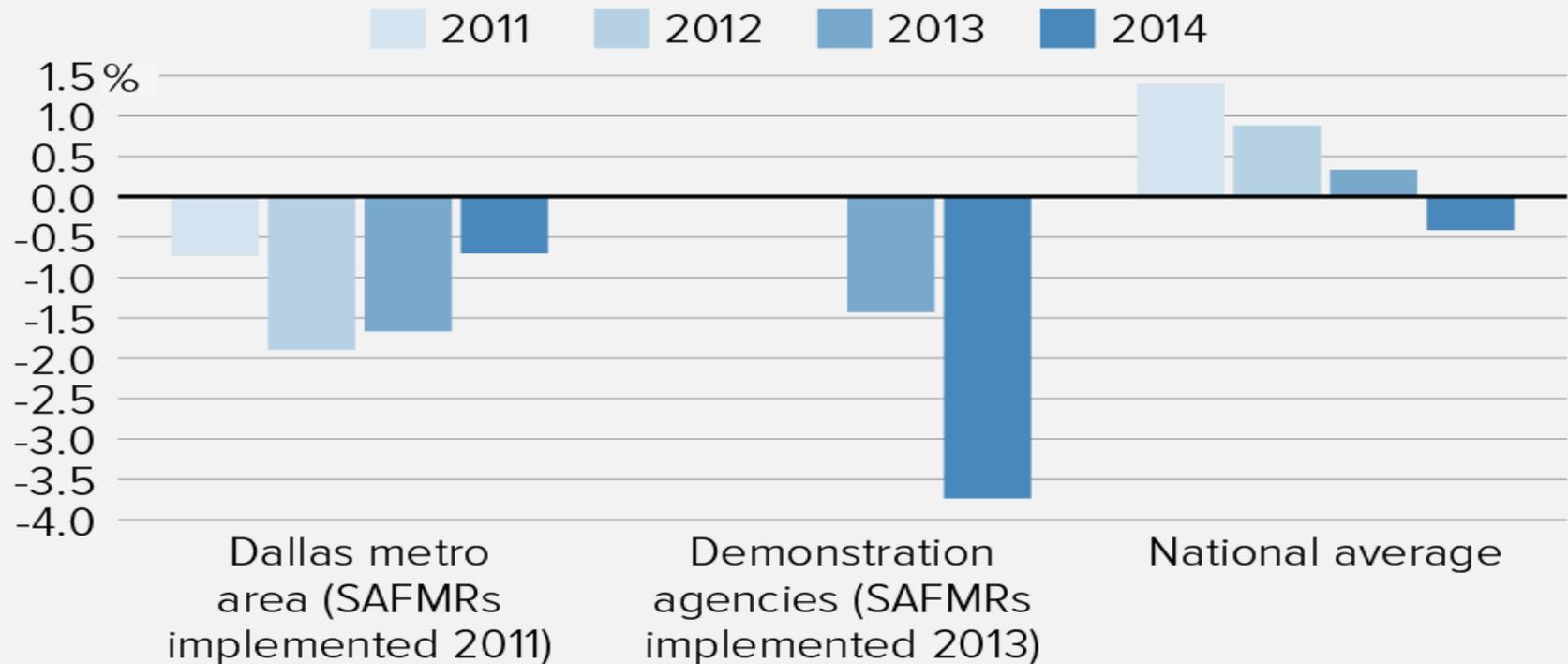
Set policies that:

- Make it easier to use vouchers throughout metro areas
 - Revise consortia policy and create other incentives for public housing agencies to consolidate operations
 - Simplify portability procedures



Average Housing Voucher Costs Fell at Agencies Using Small-Area Fair Market Rents (SAFMRs)

Percent change in average voucher costs



Note: National average excludes the 39 agencies participating in the Moving-to-Work demonstration.

Source: Housing and Urban Development Voucher Management System data



Realizing the Housing Choice Voucher Program's Potential to Enable Families to Access Higher-Opportunity Neighborhoods:

What Others Can Do

State and local governments and philanthropic organizations can provide funding for:

- Mobility counseling
- Financial incentives
- Car access and other transportation programs

State and local governments can:

- Provide limited, carefully targeted tax incentives for landlords to accept vouchers in low-poverty areas
- Award points for proposed developments in low-poverty areas as part of competition for Low Income Housing Tax Credits
- Adopt and enforce anti-discrimination laws to protect voucher holders

State and local governments and philanthropic organizations also can provide funding for:

- Development or preservation of affordable rental units in opportunity areas with access to transit
- Moving costs



Additional Resources

- *Creating Opportunity for Children: How Housing Location Can Make a Difference*, <http://www.cbpp.org/research/creating-opportunity-for-children>.
- *Groundbreaking Studies: Good Neighborhoods Help Low-Income Children Succeed*, <http://www.cbpp.org/blog/groundbreaking-studies-good-neighborhoods-help-low-income-children-succeed>.
- *Neighborhood-Based Subsidy Caps Can Make Housing Vouchers More Efficient and Effective*, <http://www.cbpp.org/sites/default/files/atoms/files/6-10-15hous.pdf>.
- <http://www.cbpp.org/topics/housing>.