Creating Moves to Opportunity in Seattle-King County

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Sector(s): Education, Labor Markets

Location: King County, United States of America

Target group: Urban population

Outcome of interest: Earnings and income Student learning

Intervention type: Housing and neighborhoods

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Research Papers: Detailed Maps Show How Neighborhoods Shape Children for Life, A Better Address Can Change A Child's Future

Partner organization(s): Seattle Housing Authority, King County Housing Authority, Opportunity Insights, MDRC

Neighborhoods matter for the well-being of residents. Moving from lower-opportunity neighborhoods to higher-opportunity neighborhoods has been shown to improve later-life outcomes for children whose families move and may reduce the intergenerational persistence of poverty. Motivated by these findings, researchers are partnering with Seattle Housing Authority (SHA) and King County Housing Authority (KCHA) in Washington to evaluate whether mobility services are effective at encouraging families with children to move to higher-opportunity neighborhoods. Preliminary results from the first year of the ongoing study demonstrate that the mobility services significantly increased the share of families who moved to higher-opportunity areas, suggesting that residential segregation is largely driven by barriers to housing choice.

Policy issue

The United States budgeted over $18 billion, in 2017 for the Housing Choice Voucher program, (commonly referred to as Section 8). The Housing Choice Voucher program, administered by Public Housing Authorities (PHAs), provides eligible low-income families with rental assistance to pay for decent, safe, and sanitary housing in units they select.[3], Previous research conducted by J-PAL affiliates Raj Chetty, (Harvard), Nathaniel Hendren, (Harvard), and Lawrence Katz, (Harvard) on the Moving to Opportunity (MTO) project, which randomly assigned the offer of housing vouchers to families living in low-opportunity neighborhoods, found that young children (under 13 years of age) who moved to a higher-opportunity neighborhood with the voucher had substantially improved life outcomes nearly two decades later. Young children who moved to an opportunity neighborhood before age 13 earned 31 percent more on average in adulthood and were 32 percent more likely to attend college.[4], However, as of 2017 only

approximately 15 percent of Housing Choice Voucher (HCV) recipients lived in neighborhoods where fewer than 10 percent of residents were poor.[5] There is growing interest in identifying effective strategies to help families move to higher-opportunity areas. There are a variety of hypotheses for why more families with vouchers do not choose to live in high-opportunity neighborhoods, including housing and moving costs, lack of information about high-opportunity neighborhoods, landlord constraints, and discrimination. What are effective strategies to increase families' ability to move to higher-opportunity neighborhoods?

Context of the evaluation

In the Seattle metro area in Washington State, children who grow up in different neighborhoods have substantial differences in life outcomes and economic mobility. Preliminary assessments by the Seattle Housing Authority and the King County Housing Authority have shown that many families with HCVs currently live in low-opportunity neighborhoods.

This evaluation is part of the broader Creating Moves to Opportunity, project that aims to better understand how to facilitate moves to higher-opportunity neighborhoods for families with young children. The study is being conducted with approximately 1,300 low-income families who have received HCVs in lotteries through SHA or KCHA.[6], To be eligible for the study, families must meet HCV eligibility requirements (including income levels, criminal history, and debt owed to housing authorities) at the relevant PHA and have at least one child under 15 in their household. In this evaluation, higher-opportunity neighborhoods were selected based on the underlying data from the Opportunity Atlas as well as logistical input from the PHAs to ensure sufficient affordable housing stock availability in selected areas and ease of communication about opportunity areas to families.

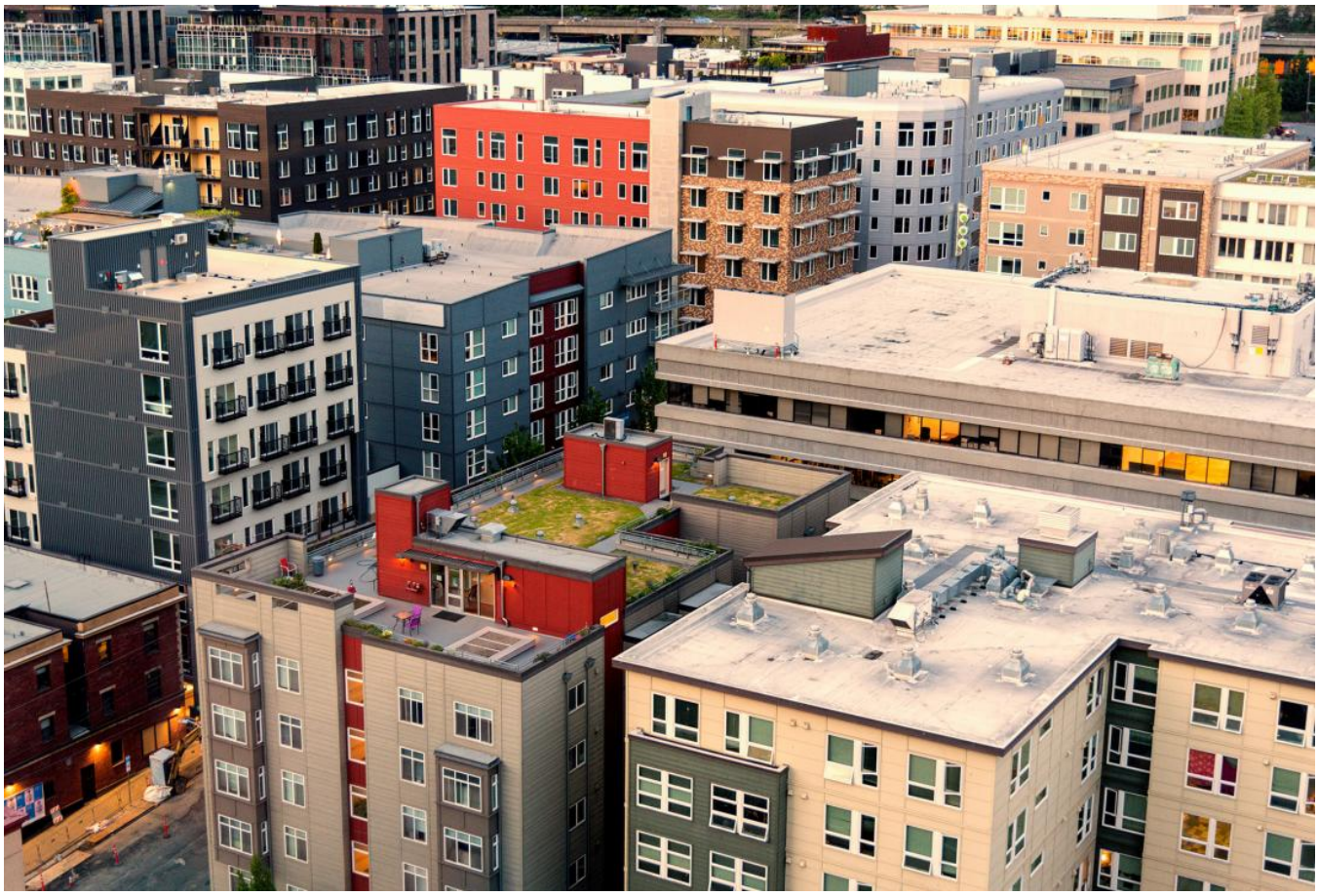


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Details of the intervention

Researchers are evaluating the effectiveness of mobility services that aim to help low-income families with children move to higher-opportunity neighborhoods. Eligible families who participate in the study are randomly assigned to either the treatment or control group.

During the first phase of this evaluation, treatment families have access to all of the services outlined below. Researchers will use preliminary data gathered in the first phase of the project to refine interventions for a second phase where families will be randomly assigned to multiple treatment groups receiving refined interventions and a control group. In both phases, families in the control group have access to standard services provided by their respective PHA.

The mobility services include interventions for both families and landlords that are primarily implemented by a nonprofit contractor. The family-facing services include:

- Rental application coaching to help families prepare to lease, including resolving or preparing families to discuss poor credit or rental histories, and coaching on how to work with landlords;
- Opportunity area education, including information on schools, amenities, and community resources;
- Housing search assistance to support families' in seeking out rental units, including referrals to units where landlords are interested in leasing to families participating in CMTO; and
- Flexible financial assistance that families can use towards application fees, security deposits, and moving costs.

The landlord-facing services include:

- An expedited lease-up process to minimize administrative delays for landlords who lease properties to families participating in the study in opportunity neighborhoods.
- A damage mitigation fund that provides landlords with up to $2,000 in reimbursement for damages above and beyond the security deposit of units leased by program participants.
- Additional outreach conducted by contractor staff to landlords in opportunity neighborhoods to increase the number of units available to families.

Results and policy lessons

Preliminary results from phase one of the study demonstrate that the mobility services substantially increased the share of families who chose to move to higher-opportunities. Fifty-four percent of families who received the mobility services chose to move to high-opportunity areas, compared to 14 percent of families who received standard services in the control group (a 286 percent increase).

The mobility services did not have any impact on the percentage of families who successfully use their voucher to lease up in a unit. The mobility services therefore changed where families moved, not whether they moved.

On average, there were no differences between families in the treatment and control groups on measures of housing quality such as unit size or age. There was also no difference in families' distance to their prior location or proximity to jobs. However, the average monthly rent was $186 higher for families in the treatment group compared to the control group. After moving, families in the treatment group were 25 percentage points more likely to report being satisfied with their new neighborhood than those in the control group.

The preliminary results demonstrate that many low-income families live in lower-opportunity areas not because of any preference for such neighborhoods, but rather because of barriers which prevent them from moving to higher-opportunity areas.

Qualitative evidence from interviews with a subset of families confirmed that many families would prefer to move to higher-opportunity neighborhoods, but various barriers prevent them from doing so. The interviews suggest that the mobility services were particularly effective due to the program's ability to customize service according to each family's specific needs and circumstances.

The researchers suggest that implementing similar housing mobility programs for families with Housing Choice Vouchers across the United States could significantly reduce residential segregation and improve economic mobility.

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2. Chetty, Raj, Nathaniel Hendren, and Lawrence F. Katz. 2016. "The Effects of Exposure to Better Neighborhoods on Children: New Evidence from the Moving to Opportunity Experiment." American Economic Review, 106 (4): 855-902.

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5. https://www.cbpp.org/research/housing/federal-policy-changes-can-help-more-families-with-housing-vouchers-live-in-higher

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