# CREATING MOVES TO OPPORTUNITY

Seattle-King County Pilot Project





A wave of emerging research by Raj Chetty, Nathaniel Hendren, and Lawrence Katz provides new evidence that growing up in higher-opportunity neighborhoods has a positive effect on a number of important life outcomes. Seattle and King County Housing Authorities are working with these researchers and others at Johns Hopkins, J-PAL North America, MDRC, and Opportunity Insights to build new evidence on effective strategies to promote and facilitate access to these neighborhoods among low-income families.

## OVERVIEW AND POLICY ISSUES

In the MTO experiment, children with longer exposure to opportunity neighborhoods had better outcomes in adulthood, including:



\$302,000 increase in total lifetime earnings

32% more likely to go to college Studying more than five million families who moved across counties in the U.S., researchers Raj Chetty and Nathaniel Hendren find that every year a child spends growing up in a higher-opportunity neighborhood improves that child's adult outcomes, including earnings and college attendance.<sup>1</sup> Similarly, the new long-term analysis of the Moving to Opportunity (MTO) experiment by Raj Chetty,

Nathaniel Hendren, and Lawrence Katz, finds that young children whose families were provided housing vouchers to move to lowpoverty neighborhoods<sup>2</sup> had substantially better educational and economic outcomes than families who remained in higher-poverty neighborhoods.<sup>3</sup> Despite the potential gains from moves to lower poverty neighborhoods, 80% of Housing Choice Vouchers are used in moderate or high-poverty neighborhoods.<sup>4</sup>

# These results suggest two complementary policy approaches:

- Invest in strategies to improve neighborhoods with lower measures of opportunity, and
- Help families with younger children move to higher-opportunity neighborhoods.

The Creating Moves to Opportunity (CMTO) project focuses on the second approach, and aims to develop and evaluate strategies to facilitate long-lasting moves to high-opportunity neighborhoods, particularly for families with younger children. As part of CMTO, Seattle and King County Housing Authorities have partnered with researchers to evaluate housing mobility services offered to families with children under 15 who are being offered Housing Choice Voucher program assistance for the first time.

## RESEARCH DESIGN AND INTERVENTIONS

Together with **Seattle Housing Authority** and **King County Housing Authority**, researchers are testing the efficacy of housing mobility services to expand geographic choice and help low-income families with children move to higher-opportunity neighborhoods. This project focuses on mobility services that may be particularly effective tools in tight housing markets, like those in Seattle and King County, by reducing information gaps, increasing housing supply through search assistance and landlord outreach, and eliminating financial barriers related to families' access to housing in high opportunity areas.

Families applying for Housing Choice Voucher Program assistance that choose to participate in a study of these new services are randomly assigned to a one of two research groups. Those assigned to receive CMTO services are offered the mobility services noted below; while the other group are offered a Housing Choice Voucher and all standard services offered by the housing authorities.

#### TIMELINE AND PHASES

#### **2017: Formative Design Phase**

In the first year, the project identified opportunity neighborhoods, hired and trained staff, selected a service provider, fine-tuned the proposed interventions, tested the recruitment and enrollment process for families, and finalized evaluation details. This planning included consultations with frontline staff, families, external researchers, landlords, and other stakeholders.

## 2018: Intervention Phase One

In Phase One, qualified families with at least one child under 15 were drawn from the Housing Choice Voucher waitlist and offered an opportunity to enroll in the study. The full suite of mobility services were offered to all families in the CMTO services group.

#### 2019: Intervention Phase Two

Phase Two will use Phase One results to refine the interventions that have the greatest impact in helping families successfully move to areas of higher opportunity. Multiple treatment groups will be used in this second phase to understand what interventions are most essential, cost-effective, and scalable.

# TABLE 1. SERVICES AND INTERVENTIONS

Family- Facing Services	<b>Opportunity area education</b> to increase families' knowledge and interest in opportunity areas.
	<b>Rental application coaching</b> to increase families' competitiveness for private market rental units by working to understand and mitigate rental barriers.
	Housing search assistance to expand and improve families' housing search process and leasing outcomes.
	Flexible financial assistance to defray housing search and lease-up expenses, such as application fees and security deposits.
Landlord- Facing Interventions	<b>Landlord engagement</b> to make outreach to property owners and leasing agents in designated opportunity areas and promote the benefits of CMTO (and the voucher program) to encourage them to lease to CMTO families.
	<b>Expedite lease-up processes</b> to ensure fast processing times and minimize delays in leasing up due to PHA requirements.
	<b>Damage mitigation insurance</b> to incentivize property owners and landlords to participate in CMTO.

The Bill and Melinda Gates Foundation and the Surgo Foundation have generously funded the Seattle-King County project as the first formal evaluation effort as part of the CMTO project

#### PRELIMINARY RESULTS FROM PHRASE ONE

Preliminary results from Phase One demonstrate that the suite of CMTO services are effective in helping families move to highopportunity areas. Fifty-four percent of families in the CMTO services group chose to move to high-opportunity areas, compared to 14 percent of families in the standard services group. These preliminary results suggest that many low-income families are concentrated in areas of lower opportunity because of barriers that prevent them from moving to higher-opportunity areas, rather than preferences for living in areas with lower opportunity. The project is currently evaluating whether families will persist in their new neighborhoods.

#### ABOUT THE CREATING MOVES TO OPPORTUNITY PROJECT

The Creating Moves to Opportunity project aims to generate new knowledge of effective ways to promote and facilitate families' housing mobility in the United States, and is an ongoing collaboration between housing practitioners and researchers. To date, 21 Public Housing Authorities have signed a letter of intent to indicate their agencies' commitment to the CMTO effort. The CMTO research team is led by Peter Bergman (Teachers College, Columbia University), Raj Chetty (Harvard University, J-PAL), Stefanie DeLuca (Johns Hopkins University), Nathaniel Hendren (Harvard University, J-PAL), Lawrence Katz (Harvard University, J-PAL), and Christopher Palmer (MIT Sloan School of Management). MDRC, a nonprofit research firm, is providing technical assistance on the design and implementation of the Seattle-King County pilot project, is leading the implementation research, and will lead evaluations of additional CMTO programs. Opportunity Insights is leading the development of the opportunity maps, with data from the Opportunity Atlas. J-PAL North America provides project management support for the CMTO project.

To learn more about CMTO or the pilot project, and to learn more about becoming involved in the CMTO project, please contact CMTO project manager Jacob Binder at jcbinder@mit.edu

<sup>&</sup>lt;sup>1</sup> Chetty, Raj and Nathaniel Hendren. 2017a. "The Impacts of Neighborhoods on Intergenerational Mobility I: Childhood Exposure Effects." NBER Working Paper No. 23001. Available online: http://www.equality-of-opportunity.org/assets/documents/ movers\_paper1.pdf

<sup>&</sup>lt;sup>2</sup> Note that metrics for measuring neighborhood quality vary across studies and across Public Housing Authorities. In the original MTO study, researchers used poverty rates – defined as the percentage of people in an area who live below the Federal Poverty Level – as a proxy for neighborhood quality. In more current mobility research, neighborhoods identified as leading to improved long-term outcomes for children are more typically referred to as "higher-opportunity neighborhoods," and this metric relies on a much more robust set of underlying data. For more information on this methodology, see the Opportunity Atlas.

<sup>&</sup>lt;sup>3</sup> Chetty, Raj, Nathaniel Hendren, and Lawrence 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.

<sup>&</sup>lt;sup>4</sup> McClure, Kirk, Alex F. Schwartz, and Lydia B. Taghavi. 2015. "Housing choice voucher location patterns a decade later." Housing Policy Debate 25, no. 2 (2015): 215-233.