A “SAFE HAVEN”

THE IMPACT OF AFFORDABLE HOUSING ON RESIDENT ECONOMIC MOBILITY

Carolina Reid
Faculty Research Advisor
Study Goals and Design

• How does access to high-quality, affordable housing influence resident well-being?
  • Housing Stability
  • Economic Mobility (employment, financial stability)
  • Children’s Educational Outcomes
  • Neighborhood Quality

• Research Design
  • 18 LIHTC Properties, 6 affordable housing developers
    • Statewide, in mix of high-poverty and low-poverty neighborhoods, urban/suburban
    • Intercept survey on tablets/computers
  • 251 surveys, a mix of multiple choice and open ended questions
    • Available in Spanish and English
Before moving here, my family and I were living in a garage. The garage was split into 6 units with curtains. Just your normal two-car garage. No running water, other people just on the other side of the curtain. We had no place to cook. The kids had no place to do homework. There was no heat, no air. My kids showered at school. This is not a healthy life, but we didn’t have a choice.
LIHTC Provides Residents with a “Safe Haven”

- Moved Involuntarily: 20%
- Homelessness: 20%
- Worried about Paying for Food: 50%
- Worried about Ability to Make Rent Payments: 55%
Housing Stability Promotes Economic Security

The bar chart shows the percent of households with employed adults across different income brackets. The income brackets are:
- Less than $15,000
- $15,000 - $24,999
- $25,000 - $34,999
- $35,000 - $49,999
- $50,000 - $74,999
- $75,000 - $99,999

The chart indicates that households in the $15,000 - $24,999 income bracket have the highest percent of employed adults.
If you don't have basic needs covered, you can't move up to the top of the pyramid. This property provided that for me and my children. I was able to get my GED, AA, BA and work due to this stability. I am currently trying to get into a master's program as well.
Labor Market Challenges Loom Large

<table>
<thead>
<tr>
<th>Percent of Jobs among LIHTC Residents</th>
<th>60.0</th>
<th>50.0</th>
<th>40.0</th>
<th>30.0</th>
<th>20.0</th>
<th>10.0</th>
<th>0.0</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Health Insurance</td>
<td>55.0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No Paid Vacation</td>
<td>50.0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No Overtime</td>
<td>40.0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No Opportunities for Advancement</td>
<td>35.0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No Paid Sick Days</td>
<td>25.0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No Regular Working Hours</td>
<td>20.0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Does Not Pay Minimum Wage</td>
<td>10.0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
My friends and I, we’re often looking for work after six months because a job has ended and you have to find a new one... [The difference is that before living here] you lose your job, you have to move. Each time you can afford less. And the kids suffer.
Educational Outcomes for Children

- Housing stability closely tied to improvements in grades, mental health
- 75% of parents happy with their children’s school
- Among college aged residents, 60 percent were enrolled in college, and more than half were enrolled in a four-year program
- Parents attributed resident services with improvements in their child’s performance at school (66 percent), with teaching their children an orientation towards college (72 percent), and in improving behavior (93 percent) and self-confidence (64 percent)
Since we moved here, I started seeing college as an opportunity for my son. I hadn't thought of it before. Now, he goes to college. I also feel like this environment makes them safe. I feel like they have a chance to have a better life. To have more aspirations.
Resident Perceptions of Neighborhood

- Close to Friends and Relatives
- Close to Work
- Feel Safe in the Neighborhood
- Fresh Fruits and Vegetables
- Transportation
- Parks and Open Space

Legend:
- Blue: Agree
- Gray: Disagree
- Yellow: Neutral
Conclusions

- LIHTC promotes housing stability, economic mobility, and improved educational outcomes for children
  - Majority of adults are employed
  - Affordability allows for investments in human capital, both for children and adults in the household

- Housing market is slipping away from these households – there’s no way to rent a comparable quality and size unit in the market, even when their income increases
  - Constraints in lower-skilled labor market may limit mobility

- Neighborhood v. household opportunity
  - Neighborhoods matter, but not necessarily in ways that are aligned with measures of neighborhood poverty
  - Need to pay attention to broader land use, labor market, and educational policies that structure opportunity
THANK YOU!

California Community Reinvestment Corporation
Abode Communities, BRIDGE Housing, Eden Housing, Mercy Housing, META Housing, MidPen Housing