

# Employment Accessibility Among Housing Subsidy Recipients

Michael Lens

# Four Papers

1. How do housing subsidy locations fare in terms of spatial job accessibility? (Published in *Housing Policy Debate*, 2014)
2. Do housing voucher participants in the labor force live closer to jobs? (with Kirk McClure, under review)
3. How did access to jobs change for Moving to Opportunity program participants, and did that affect employment outcomes? (with C.J. Gabbe)
4. How do daytime and residential locations affect employment among recent parolees? (with Naomi Sugie, under review)

# #1: Public housing, voucher, and LIHTC participants

- A descriptive comparison between these groups
  - An underlying question is whether demise of public housing in favor of housing voucher program is good for spatial job access
    - Emphasis on dispersing subsidized housing, access to suburbs and higher opportunity neighborhoods

# A lot of research on location outcomes

- Simplest story – voucher households live in neighborhoods with higher crime, worse schools, higher poverty than the general population, but these outcomes are better than those for public housing households (particularly for crime) (Horn, Ellen, and Schwartz 2014; Lens, Ellen, and O’Regan 2011; McClure 2006; Pendall 2000)
  - Some of the biggest gains for MTO were in basic neighborhood opportunity features – crime, schools, housing quality, poverty, etc.

# Spatial mismatch research

- Traditional public housing largely in central cities, but housing vouchers and LIHTCs increasingly in suburbs (Covington et al 2011; McClure 2006)
- Populations that tend to live in central cities live further from employment possibilities than others, including African-Americans (Stoll 2006), welfare recipients (Blumenberg and Ong 1998; Ong and Blumenberg 1998), and recipients of housing subsidies (Bania et al 2003).
  - However, some research has found employment is stronger in the central city (Shen 1998; Shen 2003).
  - Disagreement likely stems from different measures of spatial mismatch and different cities/metros.

# Measuring job access/spatial mismatch

1. Data on jobs (not employees) for every census tract in the U.S. (Census LEHD files)
2. Estimate the number of job openings using multiple years of data (for growth) and assumptions about turnover (3%) for each census tract
  - Existing data on openings difficult to obtain
  - Following Shen (1998, 2001)
3. Cannot just measure jobs within a person's census tract
  - Distance decay function to weigh jobs according to distance from census tract of residence
  - Weights:
    - 0 miles = 1
    - 3 miles = .6
    - 5 miles = .4
    - 15 miles = .07
    - 30 miles = .005
    - 50 miles = .0002.

# Measuring job access/spatial mismatch

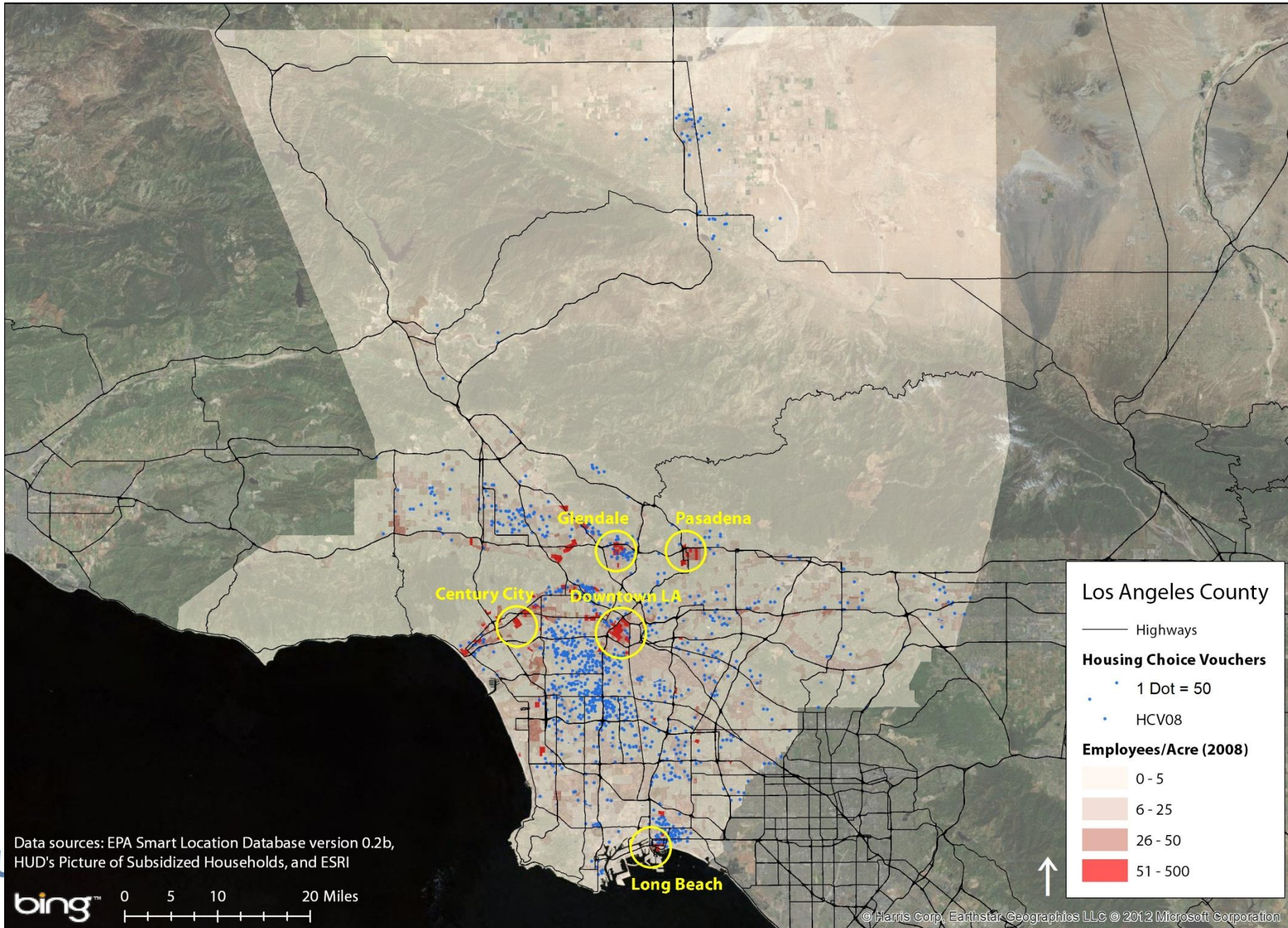
4. Must control for the competition for jobs
  - Jobs per low skilled unemployed
  - Jobs per persons in the labor force
  - Each denominator also distance-weighted
5. For each housing subsidy group, create averages weighted by the number of subsidized households in that census tract

# Findings

- Compared to housing vouchers, LIHTC, and general population, public housing households live in census tracts with the greatest proximity to low-skilled jobs – by a large margin
- But, public housing households are even more strongly concentrated among low-skilled unemployed households that compete for jobs
- Housing voucher programs must avoid worst of both worlds – low job suburbs with high poverty and unemployment

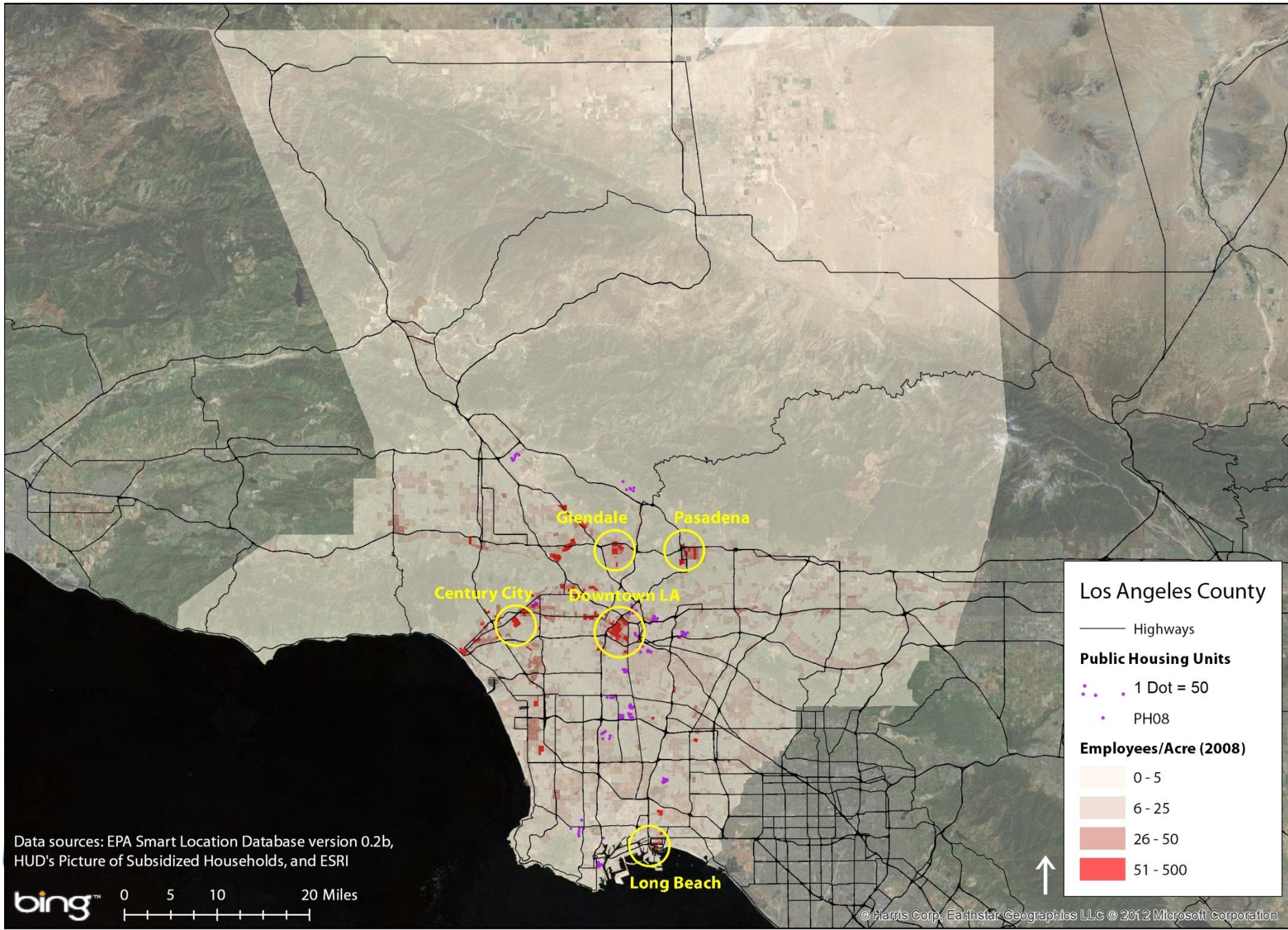


# Employment Density and Housing Choice Vouchers





# Employment Density and Public Housing Units



Data sources: EPA Smart Location Database version 0.2b, HUD's Picture of Subsidized Households, and ESRI

bing 0 5 10 20 Miles

## #2: Do voucher households in the labor force live closer to jobs?

- With Kirk McClure, Kansas University
- Underlying question – does the voucher program help employment outcomes?
  - Impossible to prove with these data
- Same job methods as paper #1
  - Housing groups differ – housing voucher participants in and out of the labor force, employed and unemployed, broken down by race, presence of children, female/male headed households

# Findings

- Employed voucher households are only slightly more likely to live in closer proximity to job opportunities.
- They are, however, less concentrated among the low-skilled unemployed that serve as their competition for work.
- Evidence that employed voucher households make trade-offs – they use their earned income to live in areas with fewer unemployed households rather than live closer to jobs.
- Big racial differences:
  - Whites are less proximate to jobs, but black and Hispanic households are more concentrated among the low-skilled unemployed.

# #3: Moving to Opportunity Experiment

- With C.J. Gabbe, UCLA UP Ph.D student
- 1994: HUD rolls out MTO in five cities – Baltimore, Boston, Chicago, LA, NYC
  - 4,604 households in public housing randomly assigned to three groups:
    - Experimental: You receive a voucher that can only be used in a neighborhood with a poverty rate below 10%
    - Section 8: You receive a voucher that can be used anywhere
    - Control: You receive no voucher
  - Researchers follow up at two points; 4-7 years later; 10-15 years later



# #3: What were MTO group job accessibility outcomes? Did that affect employment?

- MTO had no effect on adult employment
- Our research shows that Experimental and Section 8 groups moved to areas that were *less* job accessible
- We find some evidence that increased spatial mismatch may have contributed to lackluster employment outcomes for those groups

# #4: Daytime spatial mismatch, Parolee population

- With Naomi Sugie, UC Irvine
- Using same job accessibility measures – does where you spend time during the day affect how soon you will become employed?
- Unique data collected from smartphones of parolees in New Jersey
- We find that daytime locations matter more than residential locations in predicting time to employment

# Takeaways

- How you measure spatial mismatch/job accessibility matters
  - Planners are much better at this than economists!
- Households make locational tradeoffs, within constraints
  - Key for locational outcomes in housing subsidy programs is to help inform those tradeoffs – avoid worst of both worlds
- Lackluster MTO employment findings at least somewhat related to very narrow definition of neighborhood opportunity (low poverty)
- Spatial mismatch is not just about where you live, also where you spend your time