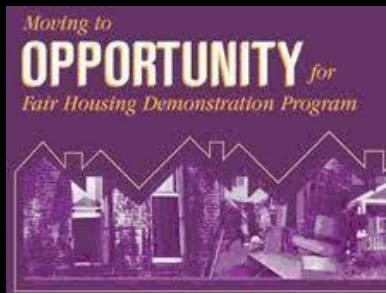


Transportation Access, Housing Relocation, and Economic Outcomes: Evidence from Moving to Opportunity

October 15, 2015

Greg Pierce
Postdoctoral Researcher
Luskin Center for Innovation



Data

- Longitudinal data from the Moving to Opportunity (MTO) Program
 - Purpose of the MTO program: to help “very low-income families with children to move from public and assisted housing in high-poverty inner-city neighborhoods to middle-class neighborhoods throughout a metropolitan area”
- Experimental design
 - *Experimental group*: housing voucher to move to a lower poverty neighborhood
 - *Section 8*: housing voucher to move to any neighborhood
 - *Control group*: lives in public housing
- Metropolitan areas: Baltimore, Boston, Chicago, Los Angeles, New York

MTO: Housing +

- Less delinquency and criminal activity
- Better physical and mental health
- Educational achievement
- Higher employment and earnings
- Long term: Less welfare and housing assistance

Larger Study

- *Title:* Driving to Opportunity. Understanding Links Among Transportation Access, Residential Outcomes, and Economic Opportunity for Housing Voucher Recipients
- *Our part:* How do car ownership and transit access affect the employment and earnings of low-income adults living in subsidized housing? (Blumenberg, Pierce, Smart)
- *Funding:* U.S. Department of Housing and Urban Development

Context – Driving to Opportunity Study

- Automobiles and high-quality public transit services:
 - enable participants to better search for housing
 - Provide better access to potential employment, services, and other opportunities
- Transportation has not been a major focus of the research related to housing voucher participants

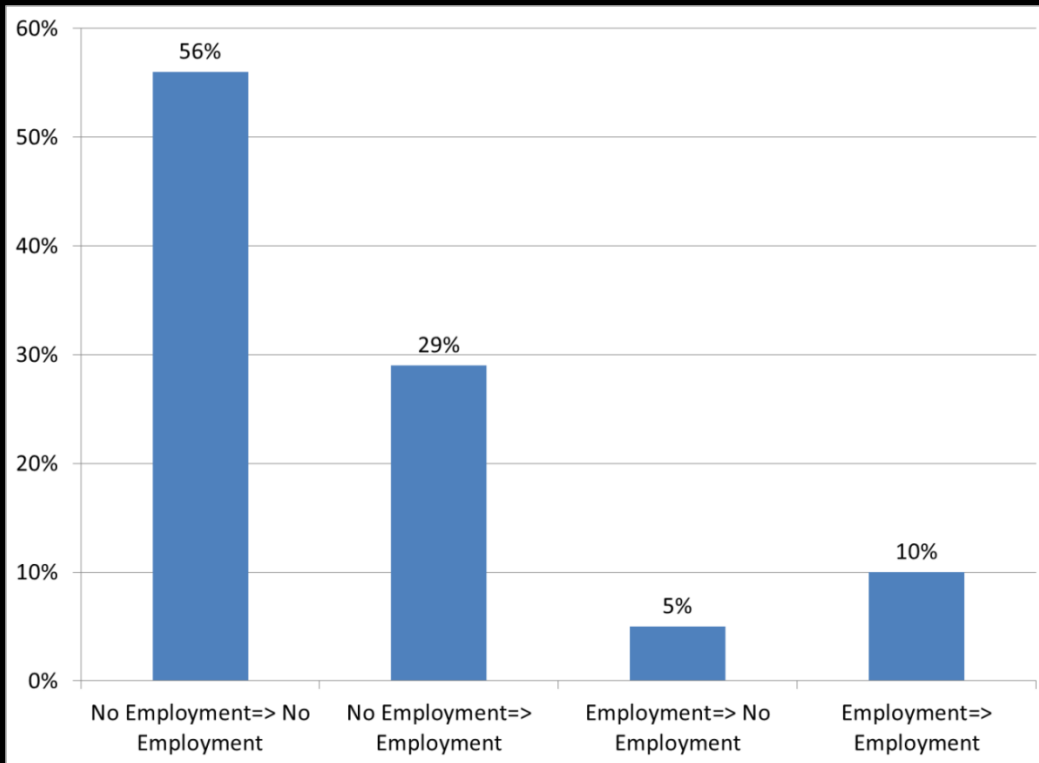
Research Design

- Descriptive data on employment, automobile access, and transit access at two time points
- Multinomial logistic regression to predict the likelihood of making an employment transition based on changes in automobile and public transit access

See: Blumenberg, Evelyn and Gregory Pierce. 2014. A Driving Factor in Mobility? Transportation's Role in Connecting Subsidized Housing and Employment Outcomes in the Moving to Opportunity (MTO) Program. *Journal of the American Planning Association*, 80(1), 52-66.

Employment Transitions

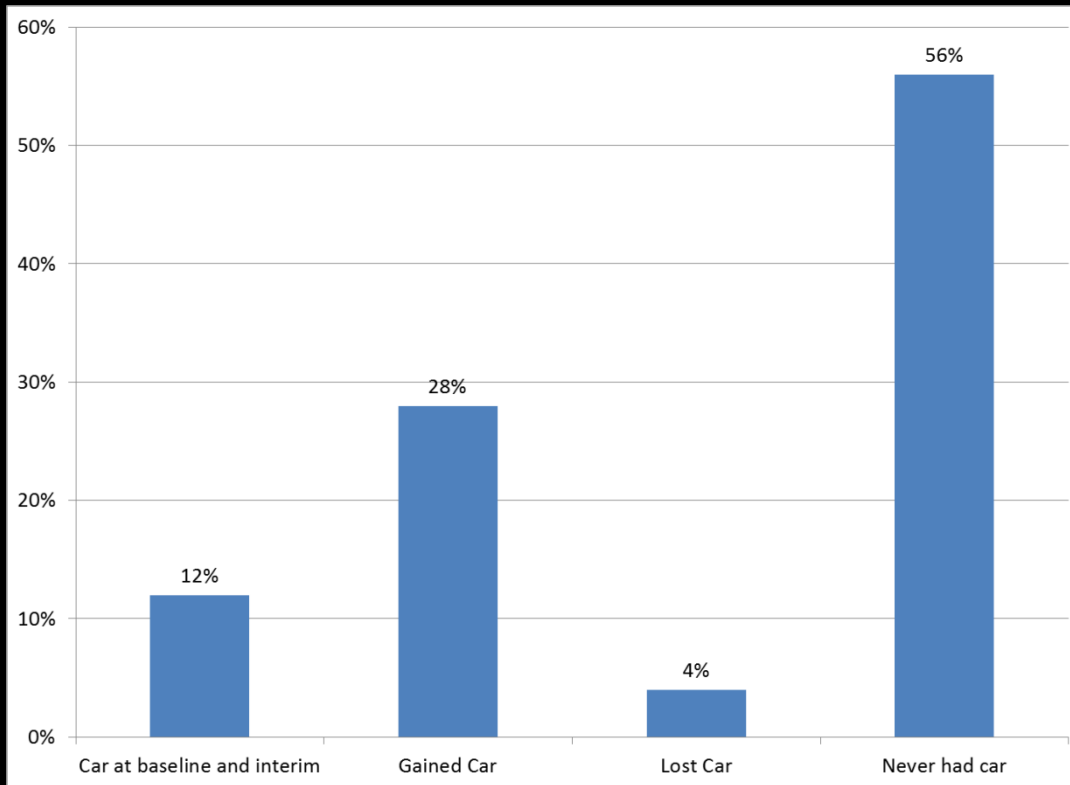
Between Baseline and Interim Surveys



- Only 15% of all participants were employed full-time at baseline
- 56% of participants remained unemployed
- Almost 30% of participants transitioned to employment

Automobile Transitions

Between Baseline and Interim Surveys



- Only 16% of all participants had access to an automobile at baseline
- 28% gained a car
- 56% of participants remained without a car throughout

Multinomial Logistic Model

Employment Status
(Base: Never employed)

Individual
Characteristics

Household
Characteristics

Neighborhood
Characteristics

Program
Status and
Metro Area

Variables of
Interest:
Transportation

Age, sex,
race/ethnicity,
education

Household size,
welfare receipt,
SSI receipt, moved

Relative job
access, poverty
rate, job access
(relative to MSA)

Program status
(experimental,
Section 8,
control group),
MSA

Moved to better
transit, self-
reported bus w/in
15 minutes, gained
car, lost car, kept
car

Program Status Findings

Variables of Interest	Not Employed → Employed	Employed → Not Employed	Employed → Employed
Section 8	NS	NS	NS
Experimental	NS	NS	NS
Lease Up	NS	NS	NS

NS= Not Significant

N=3,199 Pseudo R²=.17

Transportation and Accessibility Findings

Variables of Interest	Not Employed → Employed	Employed → Not Employed	Employed → Employed
Improved transit	NS	NS	+
Relative jobs access	NS	NS	NS
Live < 15 minute walk to transit	NS	NS	+
Auto access (baseline to interim)			
Gained a car	+	NS	+
Lost a car	NS	NS	+
Had a car at both time periods	+	NS	+

NS= Not Significant

N=3,199 Pseudo R²=.17

Does this work better in Augusta?

NO

See: Blumenberg, Evelyn and Gregory Pierce. The Drive to Work: The Relationship between Transportation Access, Housing Assistance and Employment among Participants in the Welfare to Work Voucher Program. *Journal of Planning Education and Research* (conditional acceptance).

Does this work better in Ahmedabad?

NO

See: Barnhardt, Sharon Erica Field, Rohini Pande. July 2015. Moving to Opportunity or Isolation? Network Effects of a Randomized Housing Lottery in Urban India. National Bureau of Economic Research.

Does this work for the second generation?

MAYBE

“Moving to a lower-poverty neighborhood **improved earnings 31%** for children who were young (below age 13) when their families moved.”

See: Chetty, Raj, Nathaniel Hendren, and Lawrence Katz. Forthcoming. The Effects of Exposure to Better Neighborhoods on Children: New Evidence from the Moving to Opportunity Project. *American Economic Review*.

What can we do better?

- Recognize that residential relocation programs have not improved economic outcomes...in the short term
- Fix program deficiencies
 - Residence in lower-poverty neighborhoods quite short
 - Insufficient help in locating rentals in networked, job-rich/low-poverty neighborhoods
- Fill transportation gaps

Questions?

Contact: gspierce@ucla.edu