Randomized trial to develop and test policy-scalable strategies to reduce barriers housing choice voucher recipients face in moving to high-opportunity areas in Seattle and King County
The Geography of Upward Mobility in the United States
Average Household Income for Children with Parents Earning $27,000 (25th percentile)

Note: Blue = More Upward Mobility, Red = Less Upward Mobility
Most Common Locations of Families Receiving Housing Vouchers

25 most common tracts where voucher holders lived before the CMTO experiment

Percentile Rank in Adulthood

- > 60 ($55k)
- 48 ($39k)
- < 30 ($20k)
**Project Goal:** Develop and test which strategies most effectively support opportunity moves by families with young children using a Housing Choice Voucher.
Creating Moves to Opportunity Experiment

- Sample frame families:
  - at least one child below age 15
  - applied for vouchers in either Seattle or King County
  - applied between April 2018 to April 2019

- 421 families, split randomly into control (standard services) and treatment

- Power calculations iterative process
Key Elements in the CMTO Intervention

**Customized Search Assistance**
- **High-opportunity area education** to increase families’ knowledge about high-opportunity areas.
- **Rental application coaching** to increase families’ competitiveness for rental units by addressing credit history and preparing a narrative.
- **Housing locator services** to help families identify suitable units in high-opportunity areas.

**Increased Landlord Engagement**
- **Cultivate relationships** with landlords in designated high-opportunity areas to create housing opportunities for CMTO families.
- **Expedite lease-up processes** by completing PHA required documents and conducting housing inspections more quickly.
- **Insurance fund** to mitigate risks of property damage.

**Short-Term Financial Assistance**
- Grants to **defray move-in expenses**, such as application fees and security deposits.
Designation of High-Opportunity Neighborhoods

High-Opportunity Area
Fraction of Families Who Leased Units in High Opportunity Areas

- Control: 14.3%
- Treatment: 54.3%

Historical mean rate: 11.6%

Difference: 40.0 pp
SE: (5.2)
Destination Locations for Families that Leased Units Using Housing Vouchers
Findings: Segregation Largely Driven by Barriers, not Preferences

- Reducing barriers to neighborhood choice can increase moves to opportunity, increase upward mobility for low-income children
  - CMTO predicted to increase the lifetime household income of a child moving at age 1 by $210,000 (10.4%)
  - Also predicted to increase college attendance rates, reduce teen birth rates, and reduce incarceration rates
- Expanding access high-opportunity neighborhoods provides an immediate tool for decreasing segregation and expanding economic opportunity
- Key follow-ups: persistence, experiences, satisfaction
Phase 2 Design: Three Treatment Arms

**Phase 1**
Apr. 2018 to Feb. 2019*

**Phase 2**
July 2019 to June 2020*

1. **Comprehensive Support**
   - Retain phase 1 program
   - Financial Assistance
   - Navigator Services

2. **Financial Incentives Only**
   - Provide only financial incentives
   - Financial Assistance
   - Navigator Services

3. **Cost-Optimized Comprehensive Support**
   - Reduce financial incentives and increase navigator caseloads
   - Financial Assistance
   - Navigator Services

* Enrollment timeframes (interventions continue beyond enrollment)
CMTO Expansion Partners Across the Country

- HomeForward (Portland)
- King County
- Tacoma
- Seattle
- Fresno Housing Authority
- San Bernardino County
- San Diego
- Minneapolis
- Cook County
- Louisville
- Dallas
- Houston
- Atlanta
- Charlotte
- NYC Housing Preservation & Development
- Keene County
- Cambridge
- Washington DC
H. R. 5793

IN THE SENATE OF THE UNITED STATES
JULY 11, 2018

Received; read twice and referred to the Committee on Banking, Housing, and Urban Affairs

AN ACT

To authorize the Secretary of Housing and Urban Development to carry out a housing choice voucher mobility demonstration to encourage families receiving such voucher assistance to move to lower-poverty areas and expand access to opportunity areas.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Housing Choice Voucher Mobility Demonstration Act of 2018”.

SEC. 2. HOUSING CHOICE VOUCHER MOBILITY DEMONSTRATION.

(a) AUTHORITY.—The Secretary of Housing and Urban Development (in this section referred to as the “Secretary”) may carry out a mobility demonstration program to enable public housing agencies to administer housing choice voucher assistance under section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)) in a manner designed to encourage families receiving such voucher assistance to move to lower-poverty areas and expand access to opportunity areas.

(b) SELECTION OF PHAs.—

(1) REQUIREMENTS.—The Secretary shall establish requirements for public housing agencies to participate in the demonstration program under this section, which provide that the following public housing agencies may participate:
Reflections on the Process

1. Lessons Learned
2. Benefits
3. Challenges
4. Parting Advice
Appendix Tables and Figures
Treatment Interventions

- **CUSTOMIZED SEARCH ASSISTANCE**: On average, non-profit staff spend **6.3 hours** with each household.

- **DIRECT LANDLORD ENGAGEMENT**: **52%** of rentals in high-opportunity areas made through links via non-profit staff.

- **SHORT-TERM FINANCIAL ASSISTANCE**: Average financial assistance of **$1,100** for security deposits, application fees, etc.

Program Cost: $2,600 per family issued a voucher (2.2% of average voucher payments over 7 years)

*Note: Families *not* required to move to high-opportunity areas*
Intervention Process Timeline

- **Family Contacted**
  - Notified of selection from waitlist

- **Intake Appointment**
  - Consent
  - Randomization
  - Baseline survey

- **Nonprofit Staff Meet with Families and Landlords**
  - Rental application coaching
  - Opportunity area education
  - Visiting locations

- **Voucher Issued**

- **Unit Selected**
  - Family approved by landlord for unit

- **Lease Signed**

- **Lease Up**
  - Receive paperwork and financial assistance (e.g. assistance for deposit)

- **Search assistance**
- **Landlord recruitment**
Satisfaction with New Neighborhoods
Based on Surveys Six Months Post-Move

Satisfaction with New Neighborhood

- Control: 33.3%
- Treatment: 67.9%

Difference: 34.6 pp
SE: (14.0)

Certainty about Wanting to Stay in New Neighborhood

- Control: 20.0%
- Treatment: 52.7%

Difference: 32.7 pp
SE: (12.5)
Fraction Who Has Leased Any Unit within Six Months of Voucher Issuance

Difference: 3.6 pp
SE: (4.2)
Treatment Effects By Race and Ethnicity

- **Black Non-Hispanic**: 12.3% Control, 46.2% Treatment (Diff. = 33.9, 7.3)
- **White Non-Hispanic**: 10.3% Control, 65.9% Treatment (Diff. = 55.6, 10.2)
- **Other Race/Ethnicity**: 23.5% Control, 60.5% Treatment (Diff. = 37.0, 10.8)

The graph shows the percent of households who moved to high opportunity areas by race and ethnicity, with treatment effects highlighted for each group.
Qualitative Evidence: Five Key Mechanisms Underlying CMTO Treatment Effects

1. Emotional Support

2. Increased Motivation to Move to Opportunity

3. Streamlining the Search Process

4. Landlord Brokering

5. Short-Term Financial Assistance
Qualitative Evidence on Mechanisms

Emotional/Psychological Support
“A light bulb went on…It was this whole flood of relief. It was this whole flood of, “I don’t know how I’m going to do this” and “I don’t know what I’m going to do” and “This isn’t working,” and yeah…I think it was just the supportive nature of having lots of conversations with [the Navigator].” –Jackie

Brokering with Landlords
“When you find a place, I will come with you and we will help you to fill out the application. I will talk with the landlord, I will help you to do a lot of stuff, that maybe sometimes will be complicated.” –Leah

Strategic Short-Term Financial Assistance
“I’m not going to be able to pay here and then there [in the new apartment] …They were able to get me more money, so that they would pay more of my first portion of my rent. Because they understood the situation that I was in.” –Jennifer
Qualitative Evidence on Mechanisms

**Increased Motivation to Move to Opportunity**

“She [the CMTO Navigator] made me cry when she kind of explained to me what the program does, like it's not just we pay your rent . . . it's for to make sure that not only you are in a good area but your kid can grow up in a good area and be successful it's like it made me so happy to think that my son is going to be in a area that can just help him be a good part of society.”—*Melinda*

**Streamlining the Search Process (Reducing “Bandwidth Tax”)**

“It was like me staring at my phone [to do online housing searches] like while he's playing around and the less I have . . . to do that takes away from like me focusing on him or the other things that I need to do is the better.”—*Lisa*

**The Pieces Fit Together**

“Some landlords, your credit could get denied like here like mine did . . . because I had that credit resume explaining the four derogatory marks on my credit, how they got there...how I'm getting them off if I'm on a payment plan. . . And because of that, [landlord] was just like, ‘Well, I mean, you seem smart, you seem like you're prepared, these things on your credit don't seem like a big deal’..."And sure enough, she was like, ‘Just give her a chance, just higher deposit.’”—*Nicole*