

Improving Labor Market Outcomes for People with Housing Subsidies

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Two housing-employment evaluations

- ▶ **Place-based: Jobs-Plus employment initiative for public housing residents**
 - **A 6 site demonstration project:**
Baltimore, Chattanooga, Dayton,
Los Angeles, St. Paul, Seattle
- ▶ **Tenant-based: Test of FSS and workforce incentives for voucher holders in NYC**
(starting fall 2007)

Work, earnings, and assisted housing

▶ Among working-age/nondisabled tenants, % working at recertification (in 2000):

- Public housing: 52%
- Vouchers: 57%
- Project-based S-8: 65%

▶ Low earnings among working tenants:

- About 50% reported <\$12,000 per year
- About 80% reported <\$18,000 per year

Jobs-Plus in public housing

▶ **Collaboration:**

- PHAs, welfare agency, WIA, residents, others

▶ **3 Components:**

- **On-site employment/training help** (*Mini “job centers”*)
- **New rent rules to “make work pay”**
- **Community support for work** (Neighbor-to-neighbor outreach re: work)

▶ **“Saturation-level” outreach:**

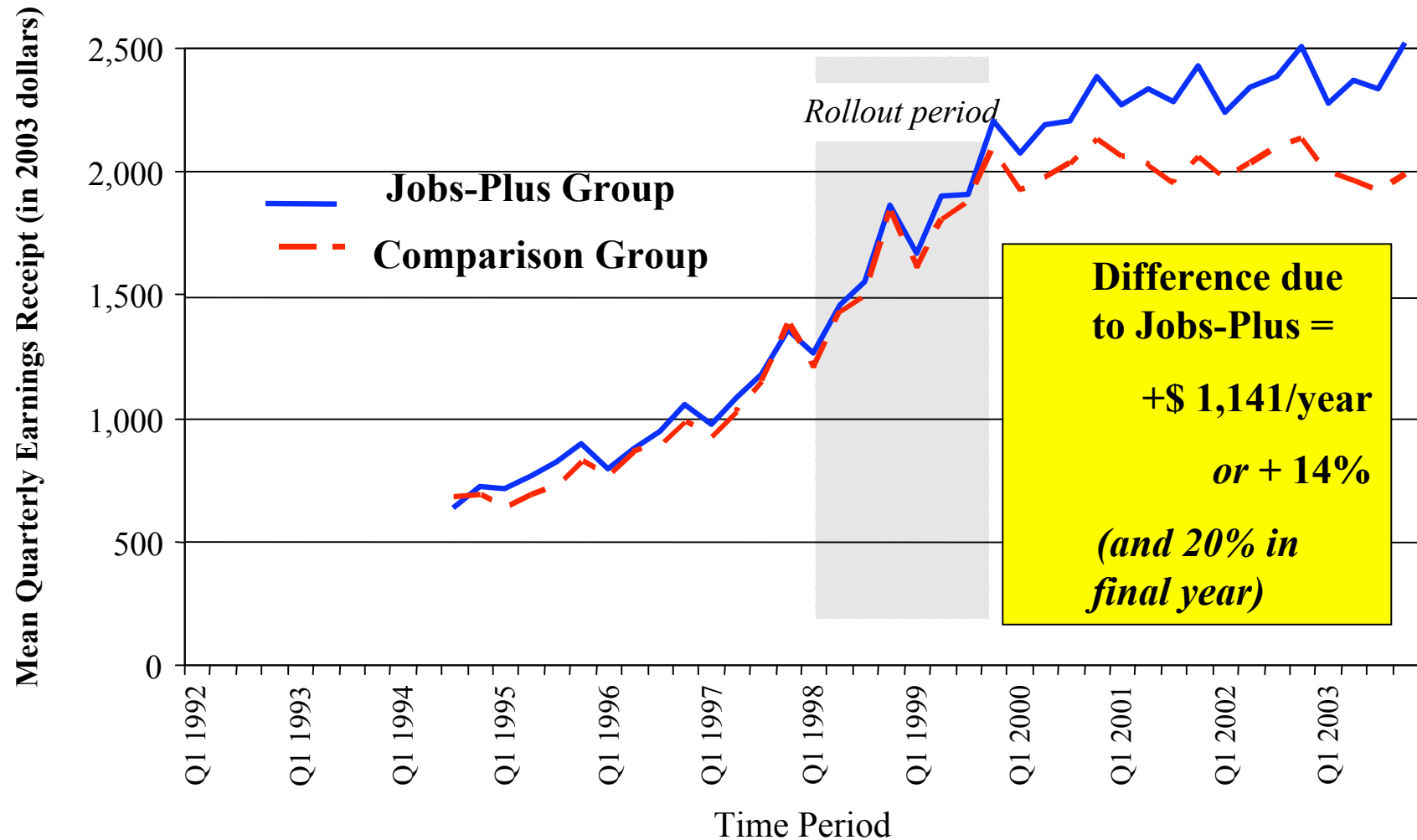
- Aimed at *all* working-age residents

Impact evaluation design

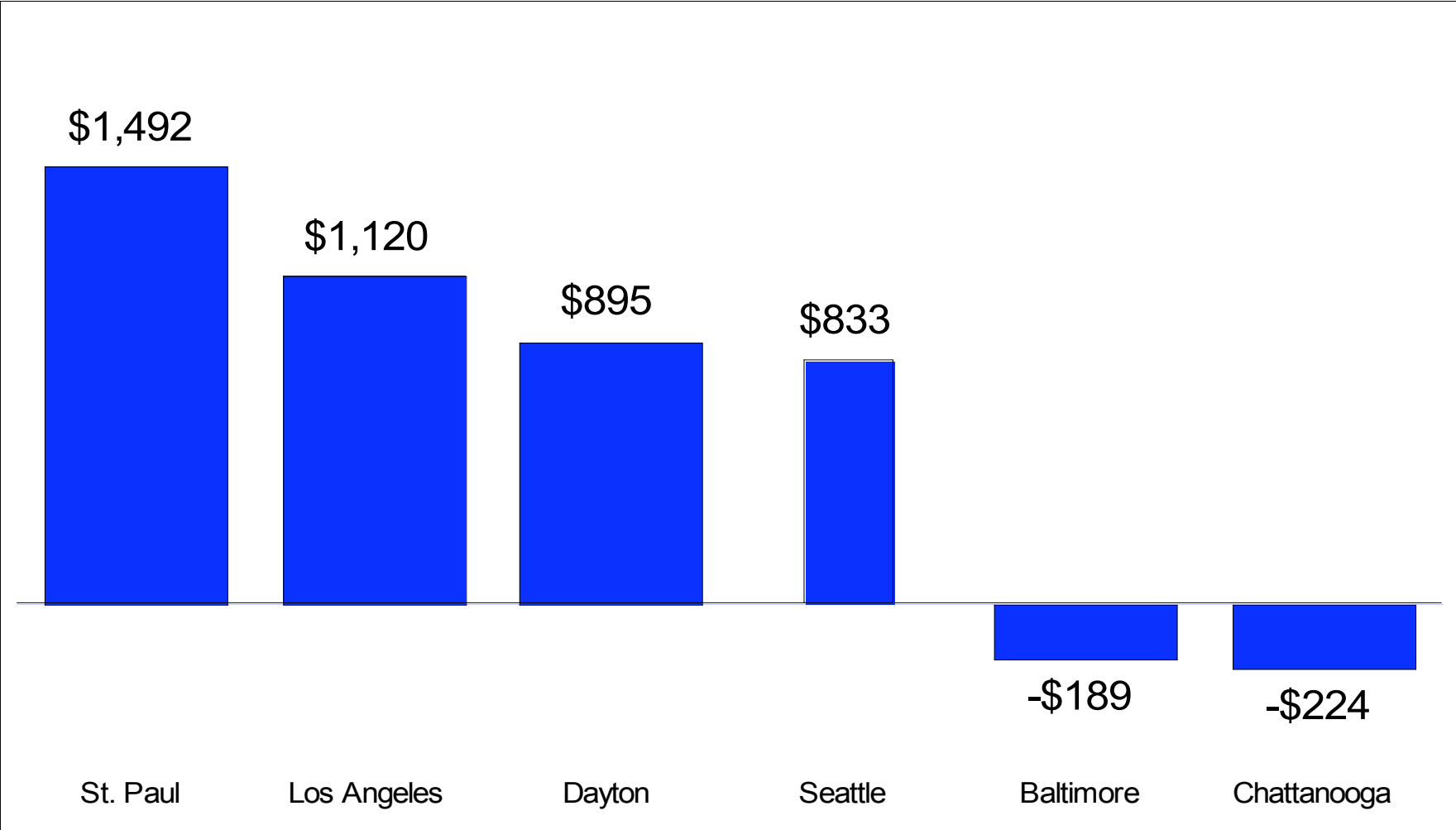
▶ Within each of the 6 cities:

- **Matched, then randomly assigned whole developments:** 1 Jobs-Plus vs. 1 or 2 Comparison
- **Interrupted time-series** using admin records: 4-6 years before / 6 years after start of Jobs-Plus
- **Focused on 1998 Cohort:** *All* nondisabled working-age residents living in Jobs-Plus or comparison developments in October 1998
- **Followed everyone, even movers**

Pooled average earnings per quarter for 1998 Cohort (*Full implementation sites*)



Impacts on average earnings per year, by Site (2000-2003)



Other observations

- ▶ **Earnings impacts associated with rent incentives**, but “package” (*services + incentives + supports*) mattered too
- ▶ **Smaller impacts on employment rates**, but **substantial for some subgroups**; thus, Jobs-Plus helped different types of residents in different ways
- ▶ **Welfare receipt dropped substantially for residents in Jobs-Plus and comparison development**—following national trends (not due to Jobs-Plus)
- ▶ **29% of tenants moved within 2 yrs** (LA=16%; Dayton=44%)—crime, social ties, housing market

New randomized trial with voucher holders in NYC

- ▶ **HPD and NYCHA voucher holders (Section 8)**
 - *NYC Dept of Housing Preservation & Development (N=2100)*
 - *NYC Housing Authority (N=2,000)*
- ▶ Test of **FSS**: “enhanced” service delivery + asset building (via rent escrow accounts)
- ▶ Test of new **workforce incentives**:
 - To promote FT work and human capital development
 - More immediate incentive than escrow
- ▶ **Family income** \leq 130% of federal poverty line

Workforce incentives component

▶ Sustaining full-time employment

- \$1,800 per year @ \$150/month per adult
- Working at least 30 hours per week
- For 6 out of every 8 weeks—75% of time

▶ Participating in approved training or education courses while holding a job

- Skills training, community college, GED, ESL
- Must be working at least 10 hours per week
- \$3,000 cap for the 3-year CCT program

Key questions include...

- ▶ Full implementation, impact, benefit-cost study
- ▶ Does **FSS alone** increase work, earnings, other outcomes (*vs. control group*)?
- ▶ Do **workforce incentives alone** increase work, earnings, other outcomes (*vs. control group*)?
- ▶ Is the **combination of FSS + workforce incentives** more effective than either alone?
- ▶ Does addition of workforce incentives increase use of FSS? Other **services**? Escrow **savings**?

HPD 3-way test

Program Group 1 (N=700)	Program Group 2 (N=700)	Control Group (N=700)
⌘ “Enhanced” FSS	⌘ “Enhanced” FSS + ⌘ Workforce incentives	⌘ No workforce incentives ⌘ Informed of “regular” FSS <i>(low take-up expected)</i>

NYCHA 2-way test

Program Group (N=1000)	Control Group (N=1000)
⚔ Workforce incentives	⚔ No workforce incentives

Conclusions

- ▣ Jobs-Plus shows → public housing can be effective platform for improving labor market outcomes.
- ▣ Results encourage trying with voucher holders.
- ◀ PHA partnership with welfare and workforce agencies were essential → funding and expertise. Even more important for a dispersed voucher population.
- ▶ JP lessons for MTO and WtWV → if employment goals important, maybe need work component.
- ◀ Voucher holders' use of employment-related services (from any source) needs more study to understand gaps.