Linking Residents to Opportunity: Gentrification and Public Housing

Samuel Dastrup
Samuel_Dastrup@AbtAssoc.com
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Acknowledgements

- Research by Abt team under contract to NYC CEO
  - Collaboration with community partners and NYCHA resident community ethnographers
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- Independent research represents views and findings of authors only, not CEO or NYCHA
Gentrification and NYC public housing

- Most NYC public housing built between 1950 and 1970 in what were then low-income areas
- About 2/3 of developments now surrounded by neighborhoods with average incomes that fall in upper half of NYC income distribution
- “Gentrification experiment”: Otherwise similar low-income populations, some surrounded by high-income, others by low-income neighborhoods
Gentrification and NYC public housing

- Do public housing residents benefit from living in gentrified neighborhoods?
Overview

- 2/3 of NYCHA units in relatively high-income neighborhoods
- Neighborhood characteristics and indicators vary with surrounding neighborhood income
- NYCHA residents surrounded by increasing and high-income neighborhoods
  - Can access higher-performing schools and are exposed to less crime
  - Have higher educational attainment, employment, and earnings
- Some qualitative findings
- Discussion and policy implications
Analysis geographies

- **NYCHA core areas**
  - Block group(s) of at least 70% NYCHA units (dark blue)

- **Surrounding neighborhood**
  - All block groups adjacent to NYCHA core (light blue)
  - Divided into three groups
Classifying the surrounding neighborhoods by income level

Average income in neighborhoods surrounding NYCHA developments

- 1990: $68,747
- 2000: $73,625
- 2010: $75,465

NYC Median

High

- 52,000 HHs in 54 core areas
Classifying the surrounding neighborhoods by income level

Average income in neighborhoods surrounding NYCHA developments

- **High**
  - 52,000 HHs in 54 core areas

- **Increasing**
  - 33,000 HHs in 34 core areas

NYC Median:
- $52,399 in 1990
- $58,153 in 2010

Income Levels:
- $20,000
- $40,000
- $60,000
- $80,000
Classifying the surrounding neighborhoods by income level

Average income in neighborhoods surrounding NYCHA developments

- High
  - 52,000 HHs in 54 core areas

- Increasing
  - 33,000 HHs in 34 core areas

- Low
  - 41,000 HHs in 49 core areas

NYC Median
### Neighborhood classifications

<table>
<thead>
<tr>
<th></th>
<th>Low</th>
<th>Increasing</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>Developments</td>
<td>49</td>
<td>34</td>
<td>54</td>
</tr>
<tr>
<td>NYCHA units</td>
<td>40,879</td>
<td>32,999</td>
<td>52,027</td>
</tr>
</tbody>
</table>
Surrounding neighborhood characteristics are correlated with income

<table>
<thead>
<tr>
<th>Indicator (surrounding neighborhood)</th>
<th>Low</th>
<th>Increasing</th>
<th>High</th>
<th>NYC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average income</td>
<td>$39,452</td>
<td>$58,153</td>
<td>$75,465</td>
<td>$81,374</td>
</tr>
<tr>
<td>% Bachelor’s degree +</td>
<td>12%</td>
<td>28%</td>
<td>36%</td>
<td>34%</td>
</tr>
<tr>
<td>Homeownership rate</td>
<td>10%</td>
<td>12%</td>
<td>30%</td>
<td>33%</td>
</tr>
<tr>
<td>Housing code violation (annual per 1000 units)</td>
<td>95</td>
<td>76</td>
<td>32</td>
<td>54</td>
</tr>
<tr>
<td>Minority share</td>
<td>92%</td>
<td>84%</td>
<td>74%</td>
<td>67%</td>
</tr>
</tbody>
</table>

Income, bachelor’s degree, and homeowner rate: American Community Survey (2008-2012)
Housing code violations per 1000 units: NYC HPD, ACS, Furman Center

- May combine to influence outcome differences for NYCHA residents
Public school access

Share of NYCHA units zoned for attendance at a public school with low math proficiency

- Low: 72%
- Increasing: 35%
- High: 41%
- NYC: 25%
Exposure to crime

Violent crime rate per 1,000 residents, NYCHA campus and surrounding neighborhood

<table>
<thead>
<tr>
<th>Level</th>
<th>NYC</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low</td>
<td>8.3</td>
</tr>
<tr>
<td>Increasing</td>
<td>7.7</td>
</tr>
<tr>
<td>High</td>
<td>5.7</td>
</tr>
<tr>
<td>Low</td>
<td>4.7</td>
</tr>
</tbody>
</table>
## NYCHA resident employment and earnings

<table>
<thead>
<tr>
<th>NYCHA resident outcome</th>
<th>Classification based on surrounding neighborhood income</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Low</td>
</tr>
<tr>
<td>Median household annual income</td>
<td>$19,500</td>
</tr>
<tr>
<td>Median household annual earnings (when &gt; $0)</td>
<td>$25,199</td>
</tr>
<tr>
<td>Residents with any earned income</td>
<td>54.6%</td>
</tr>
</tbody>
</table>
Earnings gap robust to controls

Regression coefficients: Household Earned Income > 0

<table>
<thead>
<tr>
<th>Low</th>
<th>Increasing</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>$30,304</td>
<td>$2,194</td>
<td>$3,709</td>
</tr>
</tbody>
</table>

N (HH yrs): 264,474
Earnings gap robust to controls

Regression coefficients: Household Earned Income > 0

Full controls: Age, age\(^2\), yrs in nycha, yrs\(^2\), HH composition, race/ethnicity, outer borough, and year dummies

N (HH yrs): 264,474
There is no clear evidence of NYCHA residents sorting across developments

<table>
<thead>
<tr>
<th>Resident characteristic</th>
<th>Low</th>
<th>Increasing</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hispanic</td>
<td>46.2%</td>
<td>44.9%</td>
<td>40.7%</td>
</tr>
<tr>
<td>Black</td>
<td>44.1%</td>
<td>45.7%</td>
<td>47.8%</td>
</tr>
<tr>
<td>HH composition categories</td>
<td>similar</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Over 25yrs old</td>
<td>50.6%</td>
<td>52.1%</td>
<td>52.7%</td>
</tr>
<tr>
<td>Males (age 25-39)</td>
<td>29.3%</td>
<td>29.3%</td>
<td>29.4%</td>
</tr>
</tbody>
</table>

NYCHA admin records

- Limited choice and transfers → less opportunity for sorting
- Borough preference for high-needs households (e.g. homeless), development preferences for working families → some sorting
Rapid ethnographic assessments

- Low: Morris Heights (Sedgwick Houses)
- Increasing: Long Island City (Queensbridge Houses)
- High: Chelsea (Elliott-Chelsea and Fulton Houses)

Partnered with CBOs and hired residents as Community Ethnographers

- Public observations, street interviews, household interviews, focus groups, personal experience
Rapid ethnographic assessments

- Dramatic changes noted in Chelsea and Long Island City
  - Generally appreciated new amenities and improvements
  - Some sense of alienation: “not for us”, divide between NYCHA campus and surrounding neighborhood

- Challenges remain in employment, enrichment for young people, and making ends meet
  - Increase in cost of living
Policy implications

- Gentrification can lead to improved neighborhood environments and access to amenities for assisted households that remain in place.

- Suggests place-based policies that preserve affordable housing can have positive neighborhood effects for low-income households.

- Public housing maintains some income mix in NYC.

- Some sense of alienation along with recognition of positive aspects of change by residents.