

Residential Preferences Study

Community Development Research and Housing Relocation
Authority Departments



September 2023, Terri Smith (CD-HRA Director) and Sarah Gong
(Researcher)

Housing Choice Voucher Program

What is the Housing Choice Voucher Program

- Federally funded rent assistance
- Families determined eligible find a unit on the open rental market renting from a private landlord
 - Tenant pays 30% income towards rent
 - Metro HRA makes up the difference through federal subsidy
- Landlord participation is voluntary



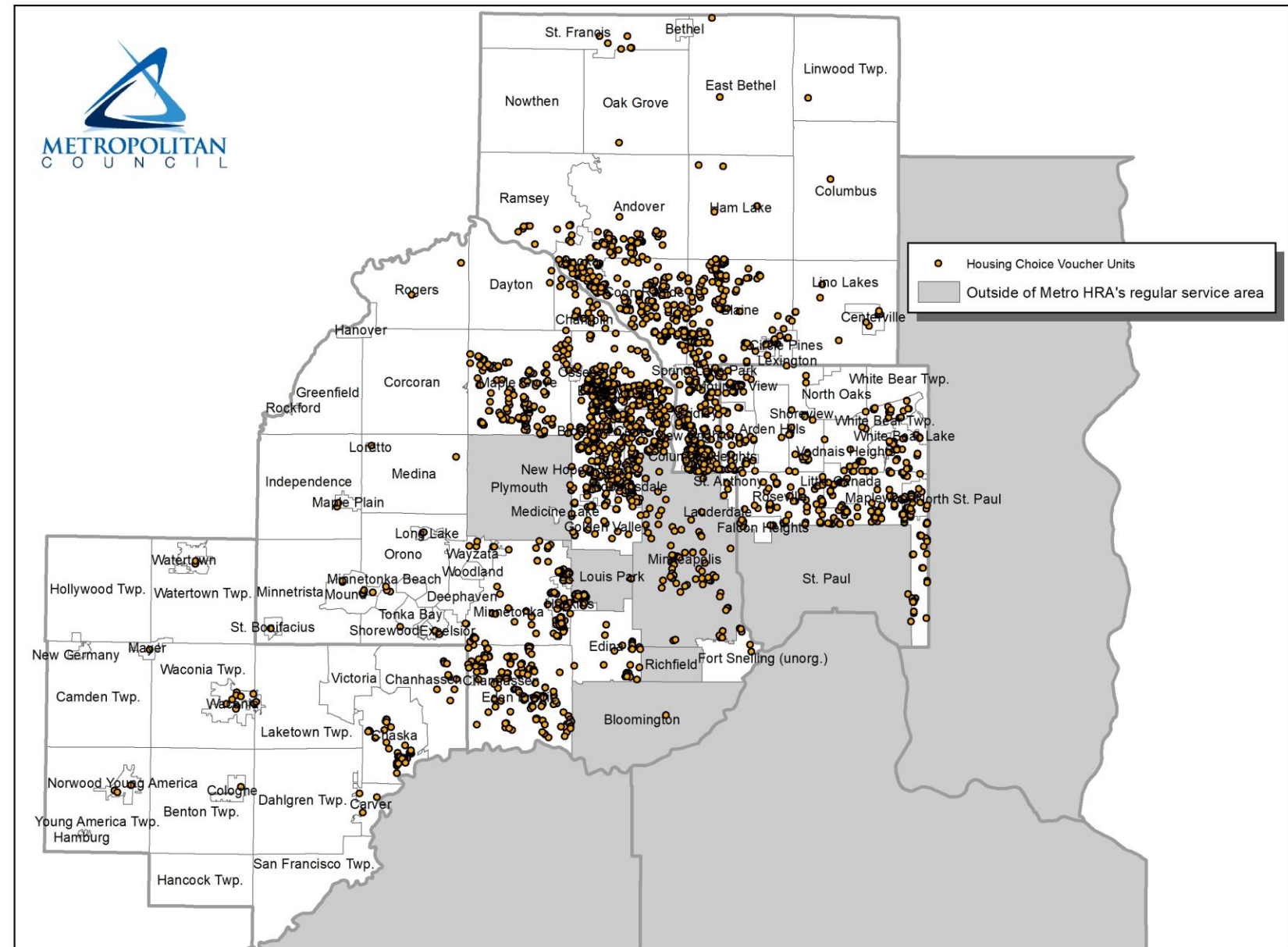
Where do Voucher Holders Live?

Low-income families with vouchers live primarily in low-resource neighborhoods

Resource-rich neighborhoods offer abundant amenities

- Access to quality schools
- Safe neighborhoods
- Economic opportunities

Metro HRA Housing Choice Vouchers
February 2023



Does Place Matter? Research says Yes

Impacts of Neighborhoods and Intergenerational Mobility:

(Childhood Exposure Effects, 2015)

- Harvard University Research, Chetty & Hendren
- Children's chances for upward income mobility vary substantially across neighborhoods
- Moving to better neighborhoods earlier in childhood improves children's outcomes in adulthood

Creating Moves to Opportunity

(Experiential Evidence on Barriers to Neighborhood Choice, 2018-2020)

- Randomized Control Trial conducted by Seattle and King County Housing Authorities
- Offered (some) voucher holders a set of housing mobility related services
- Report indicates services provision increase the number of families that moved to resource-rich areas

Why do Voucher Holders live where they live?



Why do families make the choices they make in housing location?

1. Families prefer their current neighborhood due to other attributes.
2. Families lack information about the benefits of moving to high-opportunity neighborhoods.
3. Families face barriers that prevent them from moving to high-opportunity neighborhoods.

Opportunities in every community

Varying preferences in housing locations

- We make a lot of assumptions on where families want to live.
 - Instead of making assumptions . . . let's ask!
- Are there gaps in where families live and where they want to live?
 - If yes, how do we help fill those gaps?



Research background

Goals

We intend for the research to help with the following:

**Help HCV
participants locate
and move into units
that meet their
needs**

Literature review findings

Key findings from literature include:

Major themes

- People prefer to stay with social networks (Carrillo, Pattillo, Hardy, Acevedo-Garcia, 2016)
- Children's wellbeing
- Safety
- Accessibility to amenities
- Push and Pull factors (Rufa and Fowler, 2017)

Preferences are not satisfied

- *Tracking 'Choice' in the Housing Choice Voucher Program: The Relationship Between Neighborhood Preference and Locational Outcome* (Wang, 2018)
- 60% could not satisfy any location preferences
- 4% found places that met all facets of preferences

Assumptions from policymakers

Assumptions

False Assumptions About Poverty Dispersal Policies (Kleit, 2020)

Assumptions about low-income household decisions

1. People living in poverty **make housing decisions in a hierarchal manner that considers neighborhood before other concerns**
2. When given a choice, people living in assisted housing **choose to move away from familiar neighborhoods**
3. When given a choice, people living in assisted housing will **all understand opportunity the same way, behave the same, and make ‘opportunity’ moves**

Challenging assumptions

This research intends to use the collected data to:

Identify the residential preferences of voucher holders and the factors that shape their residential choices

Identify the gap between these residential preferences and where they actually live

Identify and mitigate the factors that limit the residential choices of Metro HRA voucher holders

Limitations for Voucher Holders

Forced moves

- “Focus on escaping current situations rather than searching for option best matching preferences within budget” (Rosenblatt, Wood, DeLuca, 2019)
- Decisions are constrained (Rufa and Fowler, 2017)
 - Time, money, access to services
 - Inability to access markets (Graves, 2019)
- Limited affordability
 - Budget constraints (Harvey, Fong, DeLuca, 2019)
 - High security deposits (Rosenblatt and Cosseyleon, 2018)

Personal factors

- Discrimination
 - Landlord behavior (Philips, 2017)
 - Racism (Harvey, Fong, Edin, DeLuca, 2019)
- Social networks
 - Prefer to stay with established communities
 - Role in search process (Galvez, 2011)
- Unit-based factors
 - Family composition (Wood, 2014)
 - Place-making ability
 - Disability accommodations

Research questions

What characteristics do voucher holders seek in their neighborhoods?

What tangible characteristics do voucher holders seek in their neighborhoods?

What intangible characteristics do voucher holders feel are important in their neighborhood?

What characteristics do voucher holders seek in their home units?

What are the physical characteristics that voucher holders seek in their housing units?

What are the non-physical characteristics that voucher holders seek in their housing units?

To what extent do voucher holders feel able to satisfy their preferences?

What trade-offs do people make when deciding where to live?

What barriers keep voucher holders from satisfying their preferences?

What kinds of support, services or policies would help close gaps between where people want to live and where they currently live?

How can the Metropolitan Council and housing authorities provide these supports?

What would voucher holders need to avoid needing a voucher?

Methodology



Research uses mixed methodology

- Consultant collaboration, internal advisory group, external stakeholders
- Survey
 - Includes a pilot
 - Follow-up interviews for feedback
- Focus groups
 - Includes a pilot
 - Includes groups in multiple languages
- In-depth individual interviews

Timeline and deliverables

Deliverable	Status
Stakeholder engagement	Complete
Survey Design	Near Complete
Survey Collection	Quarter 4 - 2023
Interviews	Quarter 1 - 2024
Focus groups	Quarter 1 - 2024
Data analysis	Quarter 1 – Quarter 2 - 2024
Findings report	Quarter 2 - 2024



Terri Smith

Director, Metro HRA
Terri.smith@metc.state.mn.us

Sarah Gong

Researcher, Metropolitan Council Research
Sarah.gong@metc.state.mn.us

