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A Roof Over Their Heads:
*Changes and Challenges for
Public Housing Residents*

How Are HOPE VI Families Faring? Income and Employment

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Most HOPE VI household incomes remain below the poverty level, even among employed residents.

While the primary goal of the HOPE VI program is to improve the living environment of public housing residents, it also aims to help residents move toward self-sufficiency by helping them find new or better jobs (see page 6). The program's Community Support Services (CSS) component can help identify what residents need, such as job training or placement, to make them more likely to find employment. Relocation itself might help residents find employment if they move to less poor neighborhoods with more job opportunities and better job information networks. Residents who move back to new mixed-income developments on the HOPE VI sites could experience similar improved job networks.

However, whether these expectations of increased employment and self-sufficiency are realistic for HOPE VI residents is unclear. For both employed and nonemployed residents, the gap between household income and the income needed for housing and other costs of living is wide. The HOPE VI Panel Study is tracking the well-being of residents from five HOPE VI sites (see page 7). These respondents, mostly African American women, were extremely poor at baseline.¹ The vast majority reported household incomes below the poverty level, and over a third (35 percent) reported annual incomes of less than \$5,000. Less than half (45 percent) of respondents were employed, and those

who were working earned low wages (Popkin et al. 2002).

This brief discusses income and employment findings for working-age adults under 62 years old two years after relocation started at the five HOPE VI Panel Study sites.² It examines various barriers to employment for respondents, and considers both expectations for future employment and the services and support systems that might best mitigate those barriers. Future research will examine how residents' employment experiences are affected as relocation is completed and some residents return to the revitalized developments.

The Employed Are Still Very Poor, Though Some Are Earning More

At follow-up in 2003, the vast majority of working-age respondents—employed and not employed—were still living far below the 2003 poverty threshold of \$15,260 for a family of three.³ Two-thirds of respondents reported household incomes of less than \$10,000, and two-fifths reported incomes of less than \$5,000.

Employed respondents' household incomes had increased somewhat at follow-up. The share of employed respondents reporting incomes greater than \$15,000 rose from 32 percent at baseline to 42 percent at follow-up, and the share with incomes of less than \$15,000 declined from

68 percent to 58 percent. However, despite these improvements, the majority of employed respondents' household incomes remained below the poverty level.

The situation for those respondents not working deteriorated from baseline to follow-up; a greater share of respondents who were not employed reported incomes of less than \$15,000 (from 86 percent at baseline to 92 percent at follow-up), and fewer had incomes greater than \$15,000 (from 14 percent to 8 percent).

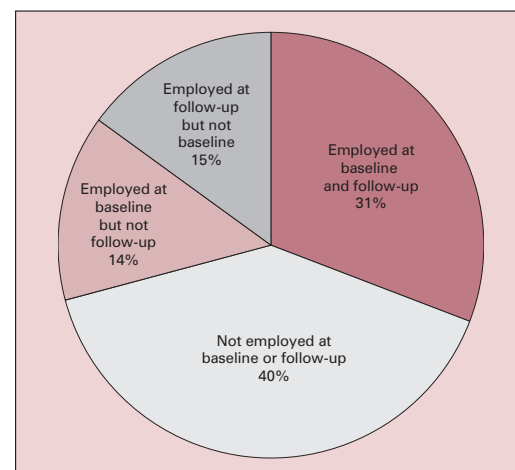
TANF receipt declined for employed and nonemployed respondents. Employed respondents reported a large decrease in TANF, dropping from 28 percent at baseline to 15 percent at follow-up. Among respondents who were not employed, TANF receipt declined slightly from 46 percent at baseline to 40 percent at follow-up.

With such low incomes overall, it was not surprising that HOPE VI Panel Study respondents reported high rates of material hardship, including late rent and utility payments and difficulty paying for food. A job provided only a slight buffer against hardship—65 percent of employed respondents reported at least one hardship, compared with 72 percent of those not employed.

Employment Patterns Changed, But Overall Employment Rates Did Not

Overall employment rates did not change from baseline to follow-up (45 percent in 2001 versus 46 percent in 2003). Three-fifths of those employed were working full time. Although the same share of respondents was employed at baseline and follow-up, there was significant movement in and out of employment (figure 1). Fifteen percent of respondents were not employed at baseline but were employed at follow-up. Conversely, 14 percent of those employed at baseline were no longer employed at follow-up. Forty percent of respondents were not employed at either point, while 31 percent were employed at both baseline and follow-up. Among adults who were not employed at follow-up, only 25 percent had been out of the labor force for five years or more. Nearly two-thirds (61 percent) had been employed sometime in the two years between surveys. Together, these data are consistent

FIGURE 1. *Employment Cycling*



Sources: HOPE VI Panel Study Baseline Survey (2001) and HOPE VI Panel Study Follow-up Survey (2003).

Note: The total sample size for baseline and follow-up heads of households under 62 years old is 537.

with literature on low-income women's labor force participation that points to cycling into and out of employment.⁴

Despite considerable movement overall, 45 percent of employed respondents indicated that they had been in their current job for three years or longer, an increase from 31 percent at baseline. Employed respondents living in their original public housing development were the most likely to have been in their current job for three years or longer (52 percent), while those no longer receiving housing assistance were the least likely (39 percent). Among those who were employed, adults who had moved more than a mile since baseline and those who reported transportation was a barrier to employment were less likely to have been in their current job for three years or more, compared with those who still lived within a mile of their original home and who did not report transportation barriers. These findings suggest that moving may have at least short-term negative effects on job access, and thus effects on job tenure.

Employment at follow-up varied somewhat by type of housing assistance. A roughly equal share of voucher holders and respondents living in public housing were employed (44 and 45 percent, respectively), while more of those no longer receiving housing assistance were employed (61 percent).⁵ Though the number of respondents without housing assistance was small, the relatively high employment rate suggests that most of

these respondents were doing well, rather than finding themselves worse off after relocating from public housing.⁶

HOPE VI Panel Study respondents continued to report that existing friendship and family networks were their primary sources for job-related information, though the networks were increasingly dispersed because of relocation. A larger share reported finding their current job through friends or relatives who live “somewhere else” in 2003 than in 2001—33 percent compared with 24 percent. Only 1 percent of respondents reported finding their job through the HOPE VI program, down from 16 percent at baseline. A slightly larger share of respondents who relocated to another public housing development or the private rental market with a voucher, or who no longer received housing assistance gathered job information more frequently from friends and family who did not live nearby, and less from friends and family in their new neighborhoods, compared with respondents who still lived in their original public housing development.

Health, Young Children, and Access to Jobs Affect Employability

Although less than half of panel study respondents were employed at follow-up, considerably more—60 percent—were employed at either baseline or follow-up.

As previously discussed, the large difference in employment rates over a longer time period demonstrates that many respondents cycle into and out of employment. Some characteristics contribute to job cycling, and are shorter-term barriers to employment, while others affect employability over the long term.

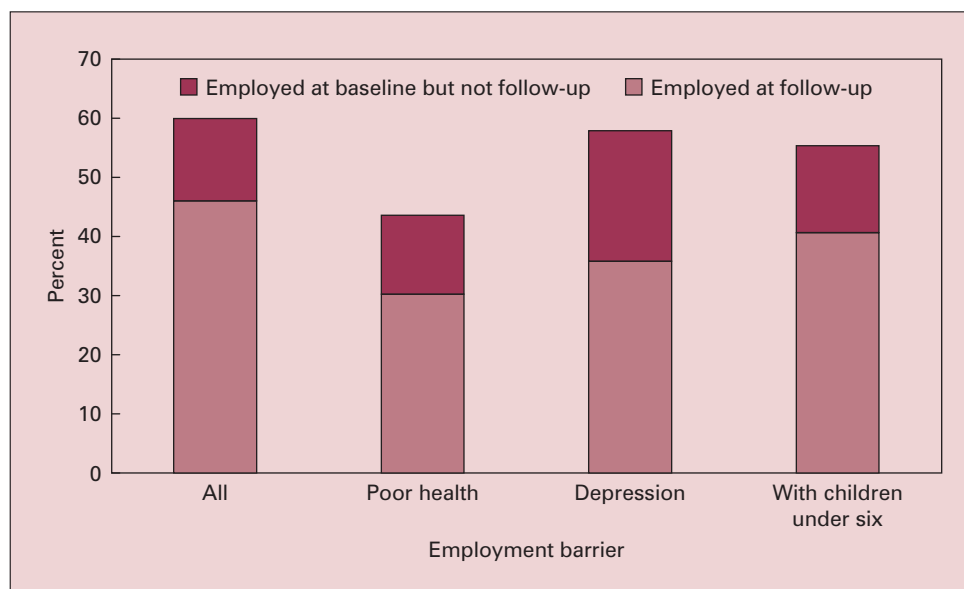
As figure 2 shows, poor health is a key barrier to employment for HOPE VI Panel Study respondents. Respondents in poor health were less likely to be employed at follow-up (30 percent, compared with 46 percent of all adult respondents) and less likely to be employed at baseline or follow-up (44 versus 60 percent). These figures suggest that poor health is a short-term barrier to employment, contributing to employment cycling, as well as a longer-term barrier to employment. Depression, however, appears to act primarily as a shorter-term barrier to employment. Respondents with depression are less likely to be employed at follow-up (36 versus 46 percent of total population), but are only slightly less likely than all adult respondents to be employed at either baseline or follow-up (58 versus 60 percent).

The presence of a young child in the household is another significant barrier to employment. Respondents with children under 6 years old at follow-up were less likely to be employed,⁷ and were somewhat less likely to be employed at either

My hands were really bad at one point. I [had] a cast on the left side for about two and half months and when that one came off, they cast my right arm. And just not being able to take care of myself and having those times when my daughter had to help bathe me and help me get dressed....When I was working, I was a caregiver, and you know, when you're used to constantly doing for other people, it was just hard. And then all the medication I was on, so, I think that added to the depression.

—Former Easter Hill resident, Richmond, 2003

FIGURE 2. Short-Term and Long-Term Employment Barriers



Sources: HOPE VI Panel Study Baseline Survey (2001) and HOPE VI Panel Study Follow-up Survey (2003).
Notes: The total sample size for baseline and follow-up of heads of households under 62 years old is 537. The sample sizes for each group are as follows: poor health = 172, child under 6 years old = 224, and depressed = 95.

baseline or follow-up than the full sample of working-age adults (55 versus 60 percent). The presence of children under 6 is a short-term barrier to employment. Of respondents not employed and with children under age 6, over one-third reported that child care problems affected their ability to take or keep a job, compared with 14 percent of similar employed respondents. Once children get older, this barrier to employment decreases.

Although poor health and the presence of young children were the two most significant barriers to employment, respondents themselves identified the lack of jobs in their neighborhood as a problem for both finding and keeping a job. Nearly half of respondents said the lack of nearby jobs was a problem, with a larger share of respondents who were not employed reporting the problem. In addition, approximately one-quarter of respondents reported that poor transportation made finding or keeping work difficult, again with a larger share of those who were not employed reporting it as an issue in employment (58 percent of respondents who cited transportation as a factor in finding or keeping a job were not employed, compared with 42 percent who were).

In contrast, education facilitates employment, even among those facing potential barriers.⁸ Among respondents in poor health and with children under 6 in the household, the employed were more likely to have a high school diploma or GED. Nearly two-thirds (60 percent) of employed respondents with poor health and a young child had a high school degree or equivalent, compared with only 49 percent of similar respondents who were not employed.

Policy Implications

Just as relocation plans should consider the local housing market, income and employment expectations should be based on the realities of the local job market. While employment outcomes can be affected by services offered through HOPE VI-related supportive services, the outcomes are also closely tied to factors beyond the scope of the program, such as the economy and the

structure of the labor market, that work against people with little formal education.⁹ The majority of respondents in this study were also far from earning enough to support their households. Increasing self-sufficiency depends upon increasing both the rate of employment and income from wages. Findings from the follow-up survey, however, suggest several implications for HOPE VI reoccupancy, increasing employment, and financial self-sufficiency.

- **Provide flexible screening criteria for employment status.** Some redeveloped sites will require returning residents to be employed or participate in job training, making employment a significant component of relocation. Site-specific tenancy requirements that screen for employment will exclude original residents who are not employed from the redeveloped HOPE VI sites. Data suggest that over half of respondents would therefore be ineligible to return to the new housing. A strict employment requirement, even with an exception for disabled tenants, would bar former residents with health or other barriers who might otherwise be good tenants. It would also bar former residents who have a cyclical employment history—who might not be employed at a given point, but who seek employment once poor health, child care responsibilities, or transportation difficulties ease. Tenant screening criteria that include employment status could better support families by taking employment history, health status, and family-care-related employment barriers into consideration.
- **Offer job counseling and training programs to unemployed and underemployed respondents.** Counseling can offer realistic guidance on the availability of local jobs and help participants identify how best to access jobs. The HOPE VI program should partner with job training programs that have a documented track record of preparing people, especially women, for local jobs with advancement potential that pay a good wage. These programs should consider the varying needs of women

Right now [my landscaping partner and I] haven't gone out to look for work because, right now the girls are on vacation and I don't like to leave them alone...But we do it when they are in school. That's the time we take advantage of the time to go out and look for jobs.

—Former Easter Hill resident, Richmond, 2003

who are currently employed, intermittently employed, and long-term not employed.

- **Strengthen outreach to relocated residents.** Respondents at follow-up relied less on HOPE VI for employment information than they did at baseline. After relocation, it can be difficult to reach former residents with information on employment, training, or other services offered through the HOPE VI program. Stronger outreach strategies can increase the likelihood that former residents are aware of information and services offered through the program, and know how to access them if they so choose.
- **Assess health barriers to employment and provide access to care.** The poor health of many HOPE VI respondents contributes to their low levels of employment. Without a focused effort to improve or manage the health of HOPE VI residents, employment levels will remain low. With improved health, HOPE VI Panel Study respondents will have a better chance of becoming and staying employed. Through the Community Supportive Services component, HOPE VI can address health barriers by partnering with local health care providers and connecting residents to health care programs.
- **Provide access to safe and affordable child care in residents' neighborhoods.** Access to safe and affordable child care, especially for parents and caregivers with children under 6 years old, might increase the number of people able to enter the workforce, as well as enable those already employed to remain in their jobs. The HOPE VI program should establish partnerships with licensed child care facilities accessible to current and former residents. Without addressing the child care needs of those with young children, we should not expect to see real change in employment rates until children get older.
- **Consider transportation needs as part of relocation and mobility counseling.** Transportation plays an important role

in finding and keeping employment. For that reason, HOPE VI relocation services and mobility counselors should work with residents to consider their transportation needs. For residents reliant on public transportation, access to bus or train lines will be important. To the extent possible, the employed can be encouraged to locate housing near their jobs. People not employed who are able to work should be encouraged to consider housing near job-rich areas, if doing so does not isolate them from other people and places important to their lives.

Notes

1. Among respondents under 62 years old, 82 percent were non-Hispanic African American women and 9 percent were Hispanic women.
2. A future brief in the "A Roof Over Their Heads" series will examine income and employment findings for adults over 62 years old.
3. The median household size of survey respondents was three.
4. See, for example, Irene Browne, "Latinas and African American Women in the U.S. Labor Market," in *Latinas and African American Women at Work: Race, Gender, and Economic Inequality* (New York: Russell Sage Foundation, 1999).
5. There are 51 working-age respondents who are unassisted in our sample.
6. For a discussion of unassisted renters, see the first brief in the "A Roof Over Their Head" series, "An Improved Living Environment? Relocation Outcomes for HOPE VI Relocateses" by Mary Cunningham (Washington, DC: The Urban Institute, 2004).
7. Forty-one percent of respondents with children under 6 were employed at follow-up, compared with 46 percent of all adult respondents.
8. We attempted to analyze factors that facilitated employment among employed respondents who reported key employment barriers; however, the sample size was too small to test for statistical significance.
9. See Curtis Skinner, "The Changing Occupational Structure of Large Metropolitan Areas: Implications for the High School Educated," *Journal of Urban Affairs* 26(1, 2004): 67-88.

Reference

Popkin, Susan J., Diane K. Levy, Laura E. Harris, Jennifer Comey, Mary K. Cunningham, and Larry Buron. 2002. *HOPE VI Panel Study: Baseline Report*. Washington, DC: The Urban Institute.

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HOPE VI Program

Created by Congress in 1992, the HOPE VI program was designed to address not only the bricks-and-mortar problems in severely distressed public housing developments, but also the social and economic needs of the residents and the health of surrounding neighborhoods. This extremely ambitious strategy targets developments identified as the worst public housing in the nation, with problems deemed too ingrained to yield to standard housing rehabilitation efforts.

The program's major objectives are

- to improve the living environment for residents of severely distressed public housing by demolishing, rehabilitating, reconfiguring, or replacing obsolete projects in part or whole;
- to revitalize the sites of public housing projects and help improve the surrounding neighborhood;
- to provide housing in ways that avoid or decrease the concentration of very low income families; and
- to build sustainable communities.

Under the \$5 billion HOPE VI program, HUD has awarded 446 HOPE VI grants in 166 cities. To date, 63,100 severely distressed units have been demolished and another 20,300 units are slated for redevelopment. Housing authorities that receive HOPE VI grants must also develop supportive services to help both original and new residents attain self-sufficiency. HOPE VI funds will support the construction of 95,100 replacement units, but just 48,800 will be deeply subsidized public housing units. The rest will receive shallower subsidies or serve market-rate tenants or homebuyers.

HOPE VI Panel Study

The HOPE VI Panel Study tracks the living conditions and well being of residents from five public housing developments where revitalization activities began in mid- to late 2001. At baseline in summer 2001, we conducted close-ended surveys with a sample of 887 heads of households across five sites and conducted in-depth interviews with 39 adult-child dyads. The second wave of surveys was conducted 2003, 24 months after baseline. We conducted follow-up surveys with 736 households and interviews with 29 adults and 27 children. We also interviewed local HOPE VI staff on relocation and redevelopment progress, analyzed administrative data, and identified data on similar populations for comparative purposes.

The panel study sites are Shore Park/Shore Terrace (Atlantic City, New Jersey); Ida B. Wells Homes/Wells Extension/Madden Park Homes (Chicago, Illinois); Few Gardens (Durham, North Carolina); Easter Hill (Richmond, California); and East Capitol Dwellings (Washington, D.C.).

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A Roof Over Their Heads: Changes and Challenges for Public Housing Residents

The Urban Institute's "A Roof Over Their Heads: Changes and Challenges for Public Housing Residents" research initiative examines the impact of the radical changes in public housing policy over the past decade. A major focus is how large-scale public housing demolition and revitalization has affected the lives of original residents. A second key area of interest is the impact of neighborhood environments on outcomes for public housing families. A third focus is evaluating strategies for promoting mobility and choice for assisted housing residents.

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