

# **STATE-ASSISTED HOUSING AND RENTAL ASSISTANCE IN MASSACHUSETTS: WHO IS SERVED AND WHERE?**

AN ANALYSIS OF INFORMATION GATHERED UNDER THE

2006 HOUSING DATA COLLECTION ACT

**Nancy McArdle, Principal Author**

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Alternatives for Community and the

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**Action For Regional Equity** is a coalition of 11 Massachusetts-based equity organizations working to advance policy strategies which make environmental justice and social equity central components of regional development; integrate solutions to

### **Environment**

Asian Community Development Corporation  
Boston Tenants Coalition  
Chinese Progressive Association  
Citizens' Housing and Planning Association  
City Life/Vida Urbana  
Conservation Law Foundation  
Fair Housing Center of Greater Boston  
Greater Four Corners Action Coalition  
Somerville Community Corporation  
Tri-City Community Action Program

# **State-Assisted Housing and Rental Assistance in Massachusetts: Who is Served and Where?**

## **Executive Summary**

The passage of the 2006 Data Collection Act allows, for the first time, an analysis of state-assisted housing and rental assistance in Massachusetts, including a description of resident characteristics, unit location and unit characteristics by subsidy program type. This report, prepared for Action for Regional Equity, presents an initial assessment of data collected by the Department of Housing and Community Development (DHCD) for 2008. For the major state-assisted rental housing and rental assistance program types, it describes residents according to their race/ethnicity, family composition, and income level. It also utilizes the opportunity area typology developed by the Kirwan Institute for the Study of Race and Ethnicity at the Ohio State University<sup>2</sup> to examine the extent to which assisted housing is concentrated in lower-opportunity areas within the state and the degree to which this concentration differs by tenant and unit characteristics. The report identifies cities and towns with large numbers and shares of assisted units in both lower and higher-opportunity areas. It concludes with a series of policy questions raised by the findings. A companion document, "A Guidebook to Analysis of the 2008 Massachusetts Government Assisted Housing Database," provides additional documentation and suggestions to improve the data collection process.

## **Major Findings**

1. In most major rental assistance program types in Massachusetts, half or more of households are headed by racial/ethnic minorities<sup>3</sup>. Minority representation differs greatly within the public housing programs, with just 13% of elderly/disabled units headed by a minority compared to 61% of family units. However, these minority shares do not differ greatly from the minority representation of all extremely-low-income renters in these demographic groups statewide.
2. In all major rental assistance program types, the majority of households are extremely-low income (less than 30% of area median income,) with 81% of state public housing households in this income category.
3. The ability of privately-owned units with a capital subsidy to house extremely-low-income tenants is dramatically improved if additional rental assistance is provided beyond the capital subsidy.
4. Assisted rental housing is very disproportionately located in lower-opportunity areas. Statewide, 40% of census tracts are designated as lower-opportunity areas according to the Kirwan Institute opportunity index, which includes 19 measures of housing, educational, and economic opportunity. However, 70% of privately-owned/publicly-subsidized units, and 72% of federal Section 8 units administered by regional non-profits are located in these lower-opportunity areas.
5. 72% of all HUD-assisted rental units, including those administered through the state and those administered directly by local housing authorities, are located in lower-opportunity areas, with Hispanic (91%) and black (85%) tenants much more likely to be in these areas than white tenants (58%).
6. While 27% of elderly/disabled state public housing units, which serve predominantly white households without children, are in lower-opportunity areas; 61% of family public housing units,

which serve predominantly minority households with children, are in such areas.

7. The odds that assisted minority households, especially Hispanics, reside in lower-opportunity areas are many times the odds that whites live in such areas. For example, the odds that Hispanics in privately-owned/publicly subsidized units live in lower-opportunity areas are almost 8 times the odds of whites living in such areas.
8. Income levels and presence of children do not explain the disparities in the odds of living in lower-opportunity areas between minorities and whites. Controlling for such factors makes little difference in the unequal odds of living in lower-opportunity areas.
9. Households with children are more likely to live in lower-opportunity areas than those without children. This disparity is related to, but not as dramatic as, disparities by race/ethnicity.
10. In general, units with more bedrooms are more concentrated in lower-opportunity areas than are smaller units. Within the state public housing stock, however, this pattern mainly reflects the fact that family units, which tend to have more bedrooms, are more likely to be in lower-opportunity areas than are elderly/disabled units, which tend to be smaller. For family state public housing, almost two-thirds of units are located in lower-opportunity areas, regardless of size. For elderly/disabled public housing, less than one-third of units are in lower-opportunity areas, regardless of size.
11. Very high shares of households with mobile rental assistance, which presumably would allow for greater mobility into higher-opportunity areas, still reside in lower-opportunity areas.
12. While relatively few assisted units exist in higher-opportunity areas, certain cities and towns do contain a disproportionately high number. Cambridge stands out as a city which includes a significant number of assisted units in higher-opportunity areas and also houses a large share of all black households living in higher-opportunity areas.

These findings reflect a “snapshot” of state-assisted housing as of 2008. As additional data are collected each year, the ultimate goal should be to create an integrated longitudinal database which can address such questions as:

- Is the share of assisted units in higher-opportunity areas growing or declining over time?
- Are these changes in the opportunity area profile of assisted housing due to the location of new construction? the mobility patterns of residents with mobile rental subsidies? or to changes in the opportunity status of the neighborhoods themselves?
- To what extent are assisted units lost through expiring use provisions or for other reasons lost from higher-opportunity areas? What were the characteristics of the residents of these lost units?
- Is the disparity in access to higher-opportunity areas according to race/ethnicity or family composition increasing or decreasing? Where is this most apparent?

Unfortunately, currently collected data does not allow us to distinguish between subsidies used in older housing units, possibly as part of rehabilitation measures, and those used for new construction. Collecting data on unit age would provide valuable insights into longitudinal patterns and could have important policy implications.

While the answers to these questions must await the analysis of future data, the findings presented in this report raise some important policy questions:

## **Policy Questions**

1. Given the disproportionate concentration of assisted housing in lower-opportunity areas, what can be done to increase units in higher-opportunity areas? Many researchers and advocates agree that a combination of people/mobility and place-based remedies is desirable. Current federal initiatives, such as Choice Neighborhoods and Promise Neighborhoods, are oriented toward place-based change. What is the current balance between people/mobility and place based programs in the Commonwealth? What might be an appropriate balance? What steps are necessary to achieve that balance?
2. Very disproportionately high shares of minority, especially Hispanic, assisted residents live in lower-opportunity areas. These disparities by race/ethnicity are not primarily due to differences in family status and income. Even among households with similar characteristics, the odds that a Hispanic or black household will be in a lower-opportunity area are many times the odds that a white household will live in such an area. Even if units become available in higher-opportunity areas, what can be done to assure that all groups have the information, resources, and support to access them?
3. The 2009 Kirwan Institute report, *The Geography of Opportunity: Building Communities of Opportunity in Massachusetts*, found that more than 90% of African-American and Latino households overall, subsidized or not, were isolated in the lowest-opportunity neighborhoods in the Commonwealth in 2000. Given that the geographic patterns of minorities in subsidized housing presented in this report are not worse than, and in some cases are somewhat better than, the strongly segregated patterns of minority households overall, what is an appropriate target for the distribution of assisted units across opportunity areas? Is the status quo acceptable, given that it seems to provide slightly more access to opportunity for minorities than the private market? Is improvement of any degree acceptable? If we aim for equal access to opportunity areas for assisted households of all racial and ethnic backgrounds, what steps are necessary and what timeline is realistic?
4. Simply providing mobile rental assistance may not be enough to increase opportunity. Among residents in privately-owned/ publicly-subsidized units, residents with mobile rental assistance are not less likely to live in lower-opportunity areas than residents without mobile rental assistance. Numerous studies have shown that simply providing a voucher does little to ensure movement to opportunity areas. Innovative programs such as the Baltimore Housing Mobility Program<sup>4</sup> have shown the importance and effectiveness of providing supports to tenants who relocate to higher opportunity areas, such as assistance with finding homes, transportation, and employment. Might such supports be feasible in Massachusetts?
5. While subsidized housing in higher opportunity areas is fairly rare, it does exist. What can be learned from the localities where it does exist? How can they be supported?