



Stable Housing and Workforce Outcomes

Curated Research and Trends

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A 2016 Harvard study shows housing loss substantially increases the likelihood of job loss.

Key takeaway: Housing insecurity is an important source of employment insecurity among low-income workers.

About the study

A 2016 Harvard study investigates if low-income workers who were involuntarily removed from their homes—by eviction, landlord foreclosure, or housing condemnation—subsequently experienced an involuntary dismissal from their jobs.

- Looking at low-income Milwaukee renters, the study found forced removal to be a strong and robust predictor of job loss.
- Models show the likelihood of experiencing job loss to be between 11 and 22 percentage points higher for workers who experienced a preceding forced move.

Key findings

The researchers propose that eviction temporarily diminishes the ability of many low-wage workers to perform at their jobs.

- First, many low-wage workers staff jobs that do not offer paid leave, advanced scheduling notice, or many protections from termination.
 - Such working conditions make it difficult to respond to life disruptions in a way that does not affect workplace performance.
- Second, involuntary displacement from housing often is a drawn-out process that can stretch over months, involving several trying events that take place before the actual moment of removal (e.g., multiple court appearances) and after it (e.g., homelessness, temporary shelter).
 - The period before the forced move—which may be characterized by conflicts with a landlord or lengthy encounters with the judicial system—can lead to workers making mistakes due to their preoccupation with non-work matters.
 - After the forced move, workers may have to miss work to search for new housing. Many will ultimately settle for subpar housing and within a year will have moved again. Forced moves can result in workers' relocating to less convenient locations, which may increase their

likelihood of tardiness and absenteeism. If the renter has children, he or she may need to find childcare arrangements and acclimate their children to new schools.

- The accumulated stress of all of these factors— beginning in the period before the eviction and persisting even after workers have found new lodgings— compromises workers’ mental and emotional capacities.

Housing insecurity has risen in relative lockstep with employment insecurity.

- In the private rental market, where most low-income families live, affordable housing has shrunk dramatically.
- Median asking monthly rent increased by 70 percent from 1990 to 2006, years that saw far more modest gains in incomes at the bottom of the wage distribution. Meanwhile, the number of new households receiving federal subsidies plummeted to fewer than 3,000 in an average year between 1995 and 2007, compared to 161,000 in an average year between 1981 and 1986.

Today, only 25 percent of households that qualify for housing assistance benefit from it. As a result of these changes, rent burden among low-income households has surged.

- In 2013, the majority of poor renting families spent at least half of their income on housing costs, with almost a quarter dedicating over 70 percent to it.
- Alex Schwartz estimates that half of all American renters in the bottom quartile of the income distribution spend at least half of their income on housing costs.

Source: [Harvard University](#)

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Living in certain neighborhoods seems to expand opportunity, but families need assistance to first move to them.

Key takeaway: Many families receiving housing assistance will not move to a better area unless they receive support to do so.

About the study

In a March 2020 study, economist Raj Chetty and a team of researchers partnered with the Seattle housing authority to put a twist on the housing voucher system.

- For this experiment, a random subset of people receiving vouchers for the first time would get more than just the rental subsidy.
- They would also be given information on which neighborhoods promise the most opportunity for their children, based on the research data.
- They'd also be assigned "navigators" whose job it was to walk them through the apartment application process, and receive additional financial assistance with down payments if necessary.

Key findings

The experiment found that the additional support raised the share of families moving to high-opportunity neighborhoods from 14 percent to 54 percent.

Source: [American Economic Review \(via Vox\)](#)

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Welfare-to-work programs that help parents find jobs are more effective among families that receive housing assistance than among other families.

Key takeaway: Stable housing may be an important prerequisite for a parent's ability to succeed in job training and employment.

About the study

Housing vouchers have been found to sharply reduce homelessness, housing instability, and overcrowding among program participants. A rigorous evaluation conducted from 2000 to 2004 examined the effect of vouchers on low-income families with children.

Key findings

When researchers compared families that were randomly selected to receive vouchers (and then used a voucher for at least part of the year in which a follow up survey was conducted) to families in a control group who did not use vouchers, they found that vouchers:

- reduced the share of families that lived in shelters or on the streets by three-fourths, from 13 percent to 3 percent;
- reduced the share of families that lacked a home of their own — a broader group that includes those doubled up with friends and family in addition to those in shelters or on the streets — by close to 80 percent, from 45 percent to 9 percent;
- reduced the share of families living in crowded conditions by more than half, from 46 percent to 22 percent; and
- reduced the number of times that families moved over a five-year period, on average, by close to 40 percent.

Source: [Housing Policy Debate \(via Center on Budget and Policy Priorities\)](#)

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Housing vouchers for families in poverty have many benefits, particularly for children.

Key takeaway: Stable housing can strengthen parenting and support early childhood development.

About the study

The Family Options Study is a multi-site random assignment experiment designed to study the impact of various housing and services interventions for homeless families. HUD launched the Family Options Study in 2008 in response to Congressional direction and with the goal of learning more about the effects of different housing and services interventions for homeless families.

- Between September 2010 and January 2012, a total of 2,282 families (including over 5,000 children) were enrolled into the study from emergency shelters across twelve communities nationwide and were randomly assigned to one of four interventions, including subsidy-only, project-based transitional housing, community-based rapid re-housing, and usual care in the absence of immediate referral to the other interventions.
- Families were followed for three years following random assignment, with extensive surveys of families conducted at baseline and again approximately 20 and 37 months after random assignment.

Key findings

Research from 2013 Family Options Study on homeless families who received housing vouchers shows that vouchers:

- decrease economic stress and food insecurity;
- help keep families together (and keep kids out of the child welfare system);
- reduce the rates of domestic violence and alcohol dependence; and
- limit school changes among children.

Further compiled research from the Urban Institute shows that:

- Too many households do not have stable housing.
- Housing plays a critical role in providing stability to poor families. When families lack it, there are terrible consequences.
- Stable housing can strengthen parenting and support early childhood development.

Source: [Office of Policy Development and Research \(via Urban Institute\)](#)

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A Housing First intervention with Intensive Case Management for homeless people with mental illness is more cost-effective compared with treatment as usual.

Key takeaway: Expanding access to Housing First with Intensive Case Management appears to be warranted from an economic point of view.

About the study

In the At Home/Chez Soi trial for homeless individuals, from October 2009 through July 2011, 1,198 individuals were randomized to the intervention (Housing First intervention with Intensive Case Management) or treatment as usual and followed up for as long as 24 months. Participants were recruited in the Canadian cities of Vancouver, Winnipeg, Toronto, and Montreal. Participants with a current mental disorder who were homeless and had a moderate level of need were included.

- Participants in the housing first and intensive case management group received recovery-oriented supports from a team with about 17 participants per case manager.
- Each team worked in collaboration with housing specialists, also paid by the project, to help participants find housing of their choice, usually an apartment on the private rental market, and respond to housing issues as they arose.
- Participants were required to pay 25% or 30% of their income toward the rent, depending on whether it covered heating costs. The project paid the remainder of the rent, with this supplement ranging from a mean of \$375 in Montreal to \$600 in Vancouver.

- Periodic evaluation of the fidelity of the interventions to the program model, combined with feedback and ongoing coaching, aided standardization of the interventions across sites.
- Although their intervention did not include housing first, participants assigned to the as usual group had access to substantial supports, especially in the larger cities. These supports included emergency response services, such as shelters and hospital.

Key findings

Housing First intervention with Intensive Case Management was cost-effective compared with treatment as usual.

- In an economic evaluation study of data from the At Home/Chez Soi randomized clinical trial with 1,198 initially homeless participants, the incremental cost-effectiveness ratio was \$56.08 per additional day of stable housing. At \$67 per day of stable housing, there was an 80% chance of cost effectiveness.

Source: [Jama Network Open](#)