Neighborhood Stability and Neighborhood Change: A Study of Housing Unit Turnover in Low-Income Neighborhoods

Brett Theodos, Claudia Coulton, and Rob Pitingolo
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A look at Neighborhood Stability

• Residential instability a concern in poor neighborhoods
  – Churning moves can lead to worse outcomes for families and, in particular, kids
  – Negative effect on collective efficacy
  – Resident engagement and leadership difficult to sustain

• Knowing what types of households, housing units, and neighborhoods are prone to instability can guide stabilization efforts
Housing Unit Panel Ideal for Investigating Residential Instability in Neighborhoods

- Track same units (nested within neighborhoods) over multiple waves
- Turnover defined when a household moves out and another moves in or the unit becomes vacant
- Allows examination of predictors at multiple levels:
  - Household
  - Housing unit
  - Neighborhood
Making Connections Survey Data

• Representative sample of housing units
  – Wave I (2002-03)
  – Wave II (2005-06)
  – Wave III (2008-09)

• 9,179 housing units observed in 70 neighborhoods in 10 cities, averaging 131 housing units per neighborhood
Methods

• Multi-level (random coefficient) logistic model
  – DV: housing unit turnover (individual level)
  – IVs:
    • Household: age, income, employment, financial distress, race, nativity, homeownership, subsidized rent, collective efficacy
    • Housing unit: single/multi-family, physical condition, proximity to commercial businesses, factories, or parks
    • Neighborhood: homeownership, collective efficacy, poverty
Target neighborhoods disadvantaged

Average: 32.3%
Research Question 1

• How frequently did housing units turn over?
Over four in ten units turn over in < 3 years

Average: 42.5%
Research Question 2

• How does housing unit turnover play out at the neighborhood level?
Using Resident Defined Neighborhoods

Providence
Low Turnover in High Homeownership N’hoods

![Graph showing the relationship between % Neighborhood Turnover and Homeownership Rate. The graph includes a trend line with an R² value of 0.4994.](image)
Research Question 3

• What characteristics of households, housing units, and neighborhoods are associated with the higher rates of turnover?
Household factors
Age a big driver in turnover

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Percent Increase/Decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>30 or younger</td>
<td>+139%</td>
</tr>
<tr>
<td>30-39</td>
<td>+57%</td>
</tr>
<tr>
<td>40-49 (reference group)</td>
<td>0%</td>
</tr>
<tr>
<td>50-59</td>
<td>-27%</td>
</tr>
<tr>
<td>60 or older</td>
<td>-33%</td>
</tr>
</tbody>
</table>
Low-income households turn over more

<table>
<thead>
<tr>
<th>Household Income</th>
<th>Percent Increase/Decrease Likelihood Odds of Turnover</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;$10,000</td>
<td>+29%</td>
</tr>
<tr>
<td>$10,000-$20,000</td>
<td>+21%</td>
</tr>
<tr>
<td>$20,000-$30,000</td>
<td>+11%</td>
</tr>
<tr>
<td>$30,000+ (reference group)</td>
<td>0%</td>
</tr>
</tbody>
</table>
Employment, Financial Distress, and Collective Efficacy Matter

Percent Increase/Decrease Likelihood Odds of Turnover

- Employed adult (vs. no employed adult): -14%
- Difficulty affording food (vs. no difficulty): +23%
- Collective efficacy (1 unit change, 5 pt scale): -9%
Small difference by race/ethnicity or nativity

Percent Increase/Decrease Likelihood Odds of Turnover

<table>
<thead>
<tr>
<th>Race/Ethnicity</th>
<th>Black</th>
<th>Hispanic</th>
<th>White (reference group)</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>+8%</td>
<td>-16%</td>
<td>0%</td>
</tr>
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(not significant)  (not significant)  (not significant)

Nativity
Foreign born (vs. US born)  +1% (not significant)
Housing unit factors
Turnover lower single-family homes

Single family home
(vs. Multi-family home)

Percent Increase/Decrease Likelihood Odds of Turnover

-13%
Neighborhood factors
Individual & neighborhood ownership associated with less turnover

Difference in log-odds associated with ownership vs. market rent by neighborhood ownership rates
Subsidized rent protective in high rental neighborhoods, but not high owner occupancy.
Recap

• Poor neighborhoods experience high residential instability
  – Over 4 in 10 households were gone in 3 years, and more than half of households left in many neighborhoods

• Age and homeownership are strongest predictive factors, but economic factors, collective efficacy, and built environment matter too
Implications for resilience

• Subsidized housing may be platform to reduce instability
• Right mix of tenure, income and age can lower neighborhood turnover, but will poor, young renter families continue to churn?
• Can investments in community participation/collective efficacy reduce instability?
• Geographic concentrations of residential instability are partially explained by these factors, but contagion effects should also be explored