



MOELIS INSTITUTE FOR AFFORDABLE HOUSING POLICY NEW YORK UNIVERSITY SCHOOL OF LAW • WAGNER SCHOOL OF PUBLIC SERVICE

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## NYU Furman Center Report Evaluates Whether Households Receiving Housing Assistance Are Able to Live in Areas With Better Schools

## Report finds that, in three of the four major federal housing programs, participating low-income households live near lower performing schools than other low-income households.

November 14, 2012—A report by NYU's Furman Center for Real Estate and Urban Policy and the Moelis Institute for Affordable Housing Policy, prepared for the Poverty & Race Research Action Council, finds that children living in Public Housing and Project-based Section 8 developments and children in households receiving Housing Choice Vouchers live near schools with lower test scores than the schools available to other low-income households. The Low Income Housing Tax Credit (LIHTC) program is the only one of the four studied programs in which participating families live in neighborhoods with schools that perform slightly better than those available to other poor households.

The report, *Do Federally Assisted Households Have Access to High Performing Public Schools?*, finds that families with children receiving one of four major types of federal housing assistance live near elementary schools that rank quite low on standardized tests scores compared to other schools. LIHTC families live near schools with a median test score ranking at the 31<sup>st</sup> percentile within their metropolitan area; Project-based Section 8 tenants live near schools with a median test score ranking at the 28<sup>th</sup> percentile; and Housing Choice Voucher families live near schools with a median test score ranking at the 26<sup>th</sup> percentile. The median rank of schools closest to Public Housing families is the lowest at the 19<sup>th</sup> percentile. By comparison, poor households as a whole live near schools with a median test score ranking at the 30<sup>th</sup> percentile within their metropolitan area.

Overall, the ranking of the 100 largest metropolitan areas shows that assisted households in all four housing programs tend to live near relatively higher performing schools in metropolitan areas that are smaller, are located in the South or West, have larger Hispanic populations, are less racially segregated, and house fewer Public Housing Authorities per capita, and thus have a less fragmented system of administering federal housing programs.

The report also considers why households receiving Housing Choice Vouchers, a portable subsidy designed to facilitate broader housing choices, live near lower performing schools than other low-income households. The report finds that one reason why children whose families receive vouchers live close to poorer performing schools is that they are more likely to be non-white than other low-income children; and, reflecting broader inequality, non-white children live in areas with lower performing schools.

"The Housing Choice Voucher program helps to significantly reduce the housing cost burdens faced by the over two million low-income households it currently assists," says Ingrid Gould Ellen, Co-Director of the Furman Center and co-author of the report, "but we find, surprisingly, that it is not dramatically altering the quality of schools that households are able to attend."

The report brings together for the first time nationwide data about school performance and assisted households to describe the elementary schools in neighborhoods in which households who receive Housing Choice Vouchers live or in which Public Housing, Project-based Section 8 developments, or Low Income Housing Tax Credit (LIHTC) housing is located. It reports findings for the country as a whole, for each of the 50 states, and for the 100 largest metropolitan areas using proficiency rates in math and English as the measure of school quality.

The complete report is available <u>here</u>, and detailed state and metropolitan area data may be found in <u>Appendix A</u> (stateby-state tables), <u>Appendix B</u> (metropolitan area tables), <u>Appendix C</u> (national distributions of family units by school performance), and <u>Appendix D</u> (top 100 MSAs – percentile rankings for each housing program).

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## About the Furman Center

The Furman Center for Real Estate and Urban Policy is a joint center of the New York University School of Law and the Robert F. Wagner Graduate School of Public Service at NYU. Since its founding in 1995, the Furman Center has become a leading academic research center devoted to the public policy aspects of land use, real estate development, and housing. The Furman Center launched the Moelis Institute for Affordable Housing Policy to improve the effectiveness of affordable housing policies and programs by providing housing practitioners and policymakers with information about what is and is not working, and about promising new ideas and innovative practices. More information on the Furman Center and Moelis Institute for Affordable Housing Policy can be found at: <a href="http://furmancenter.org">http://furmancenter.org</a>