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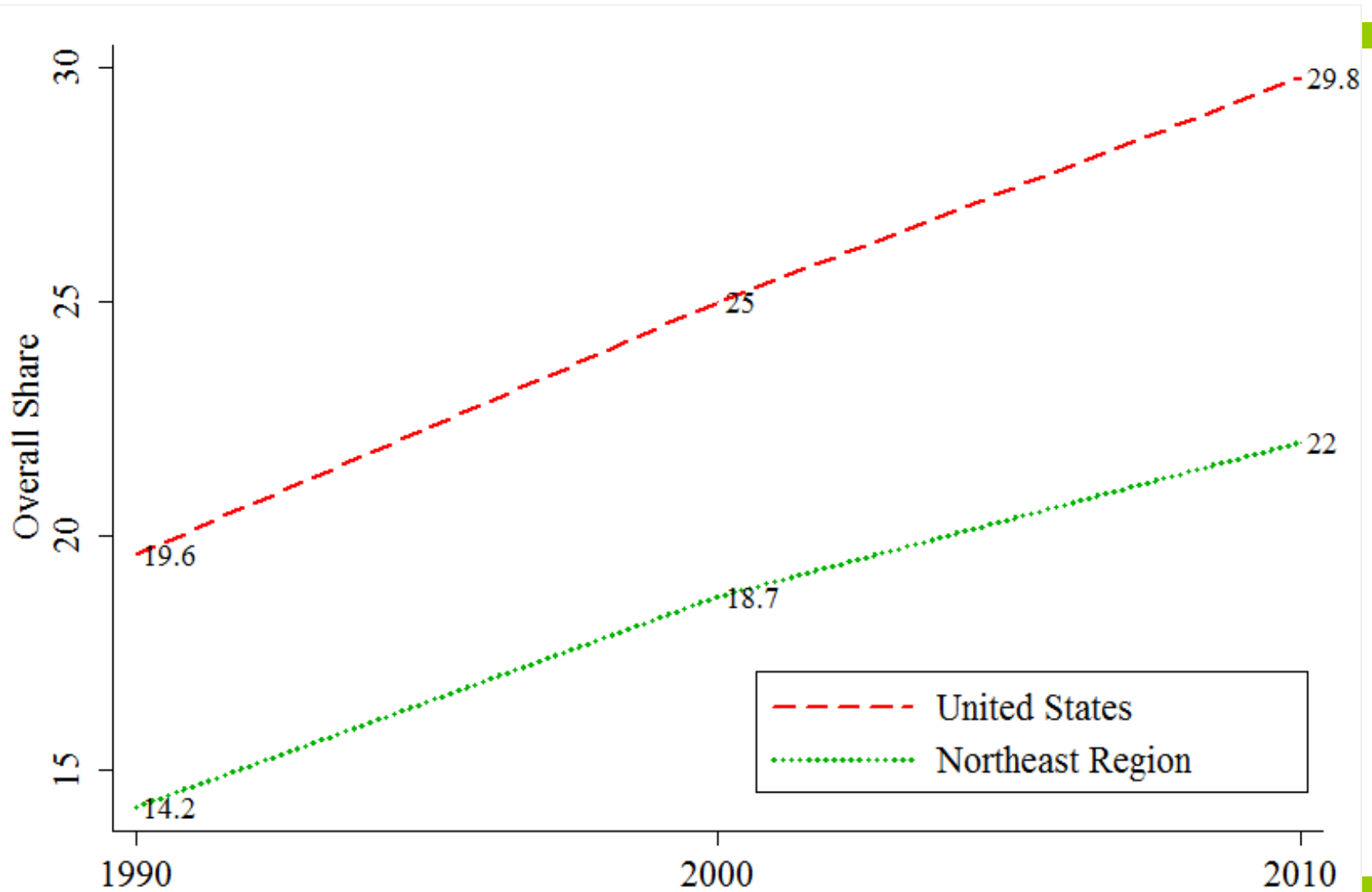
# Race and Neighborhoods in the 21st Century: Northeast United States

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Wagner School and Furman Center, NYU  
September 9, 2013

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# Trends in Integration

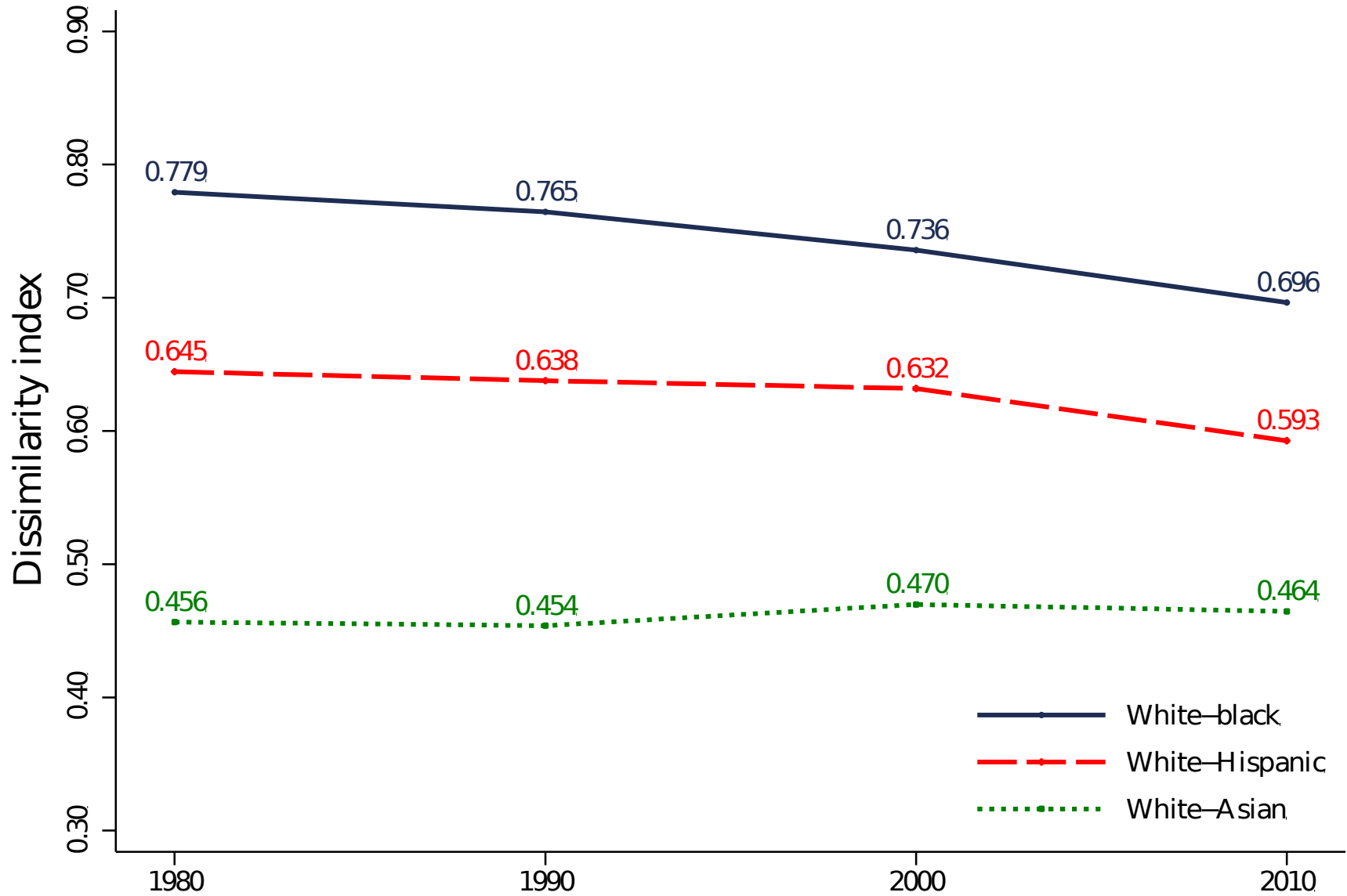
# Share of Integrated Tracts—U.S. and NE Metro Areas



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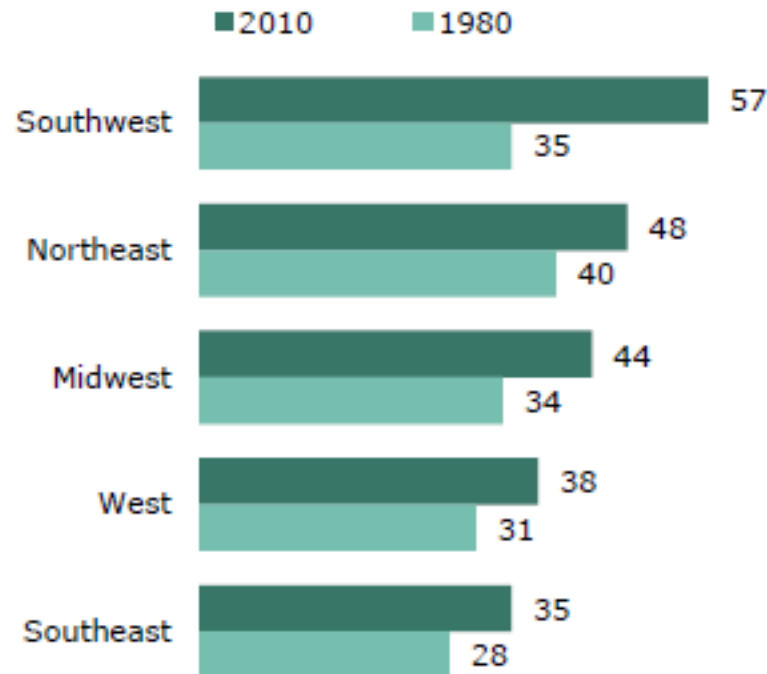
# **End of a segregated century?**

# Dissimilarity Index – Northeast Region metropolitan areas



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## Residential Income Segregation Index (RISI) by Region, 1980 and 2010



Notes: The regional RISI is computed by averaging the RISI scores for the large metros in the region. The averages shown are the simple unweighted averages.

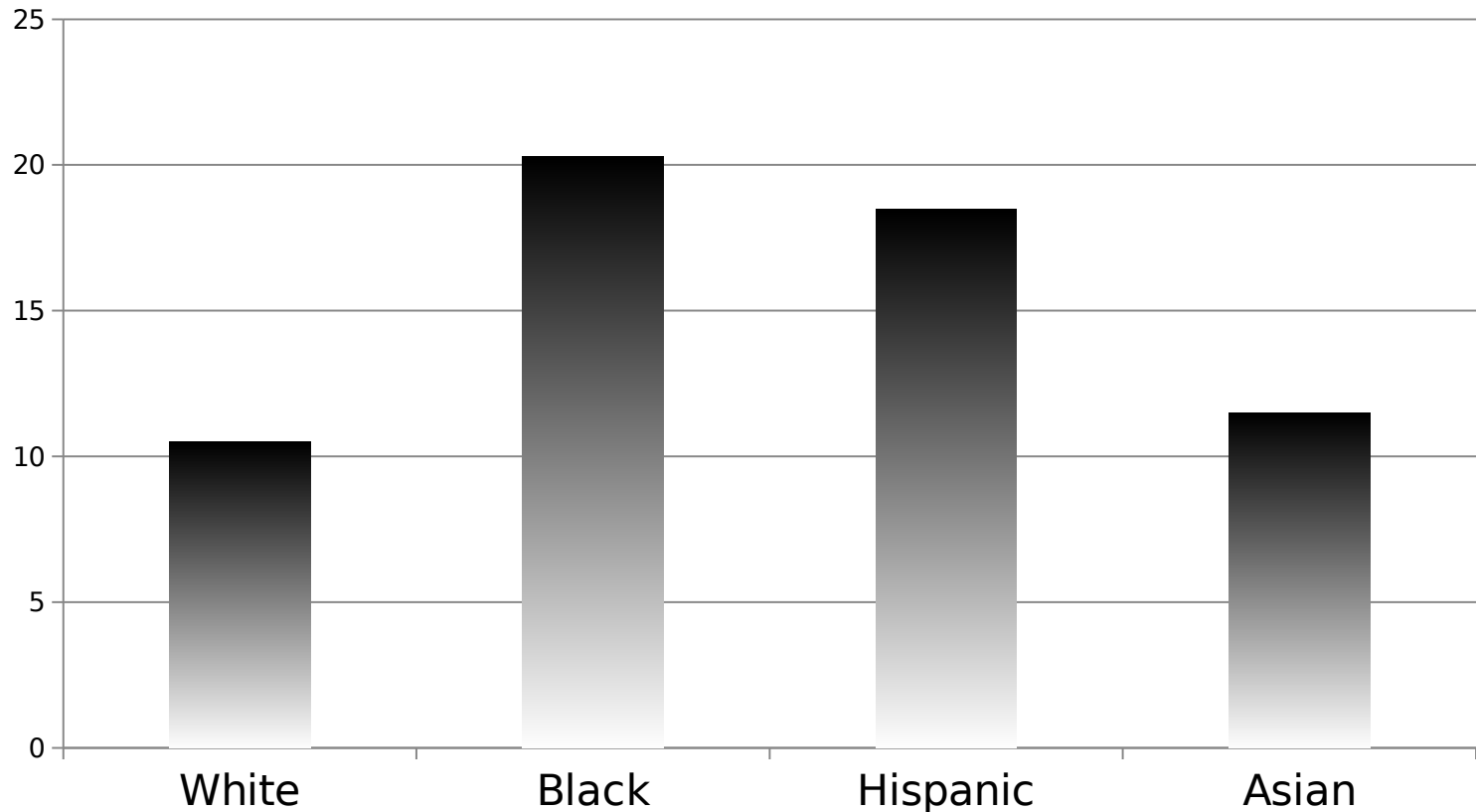
Source: Pew Research Center tabulations of 2006-2010 American Community Survey (ACS) 5-year file and Geolytics 1980 Census data in 2000 boundaries.

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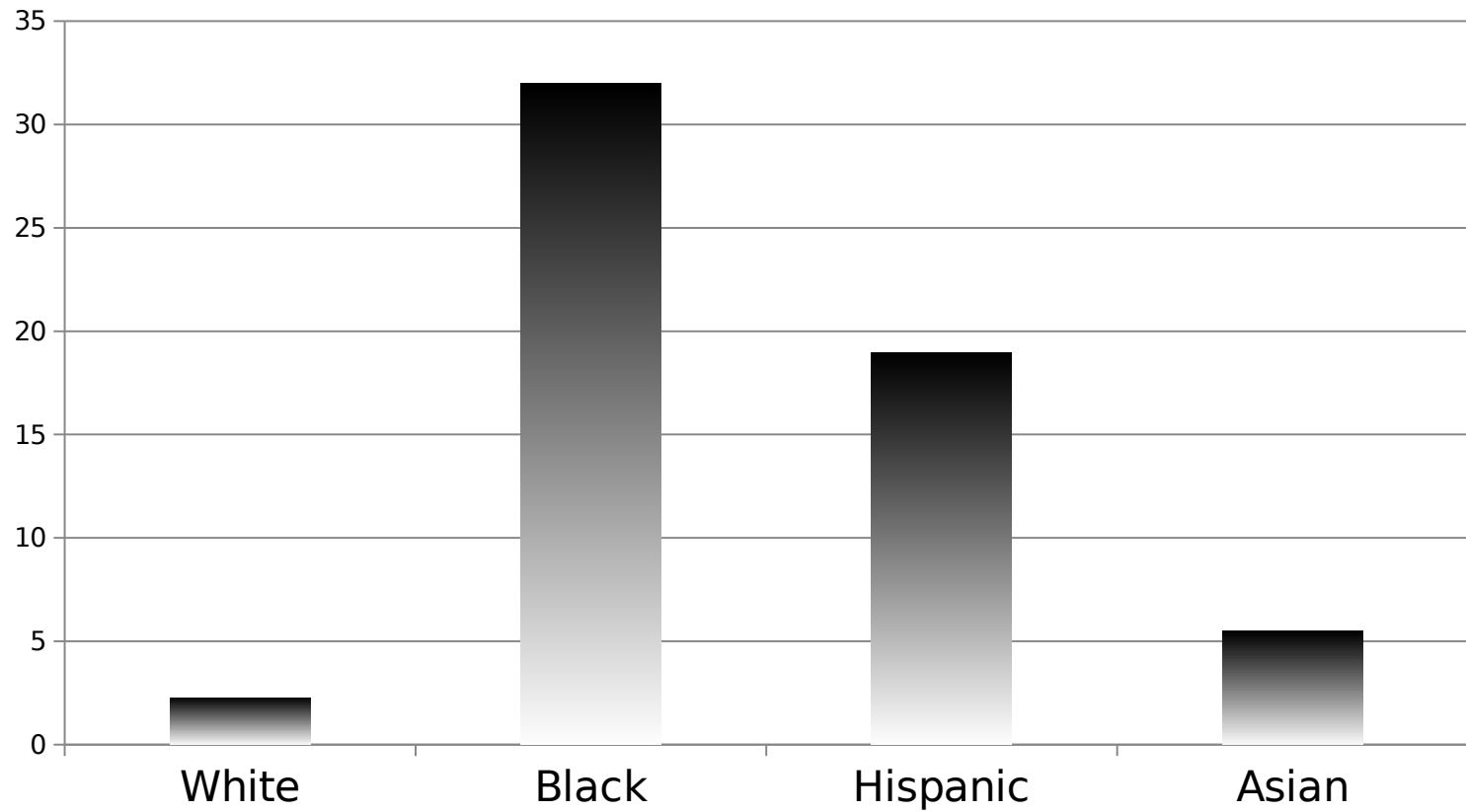
# **Separate but equal Neighborhoods?**

# Mean Neighborhood Poverty Rate, 2007-2011

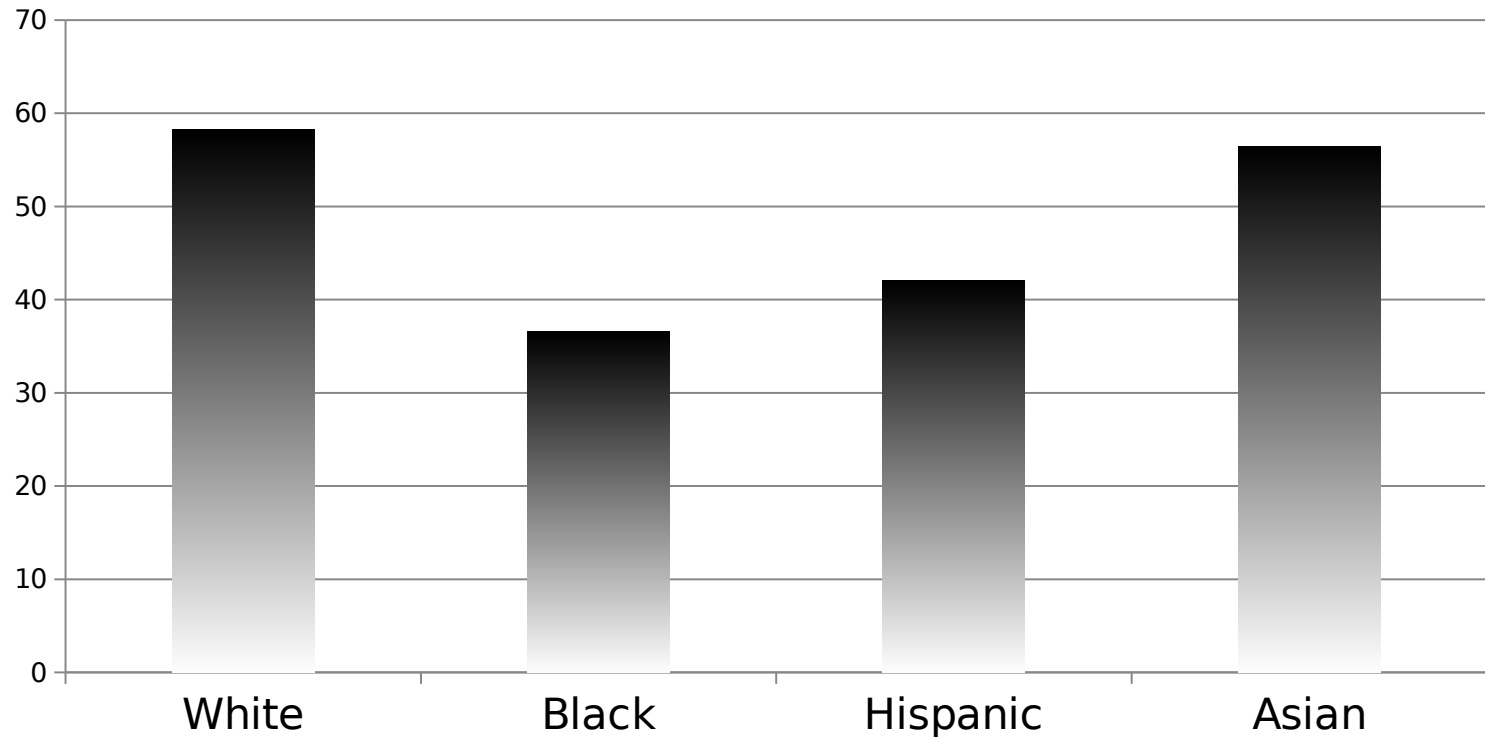




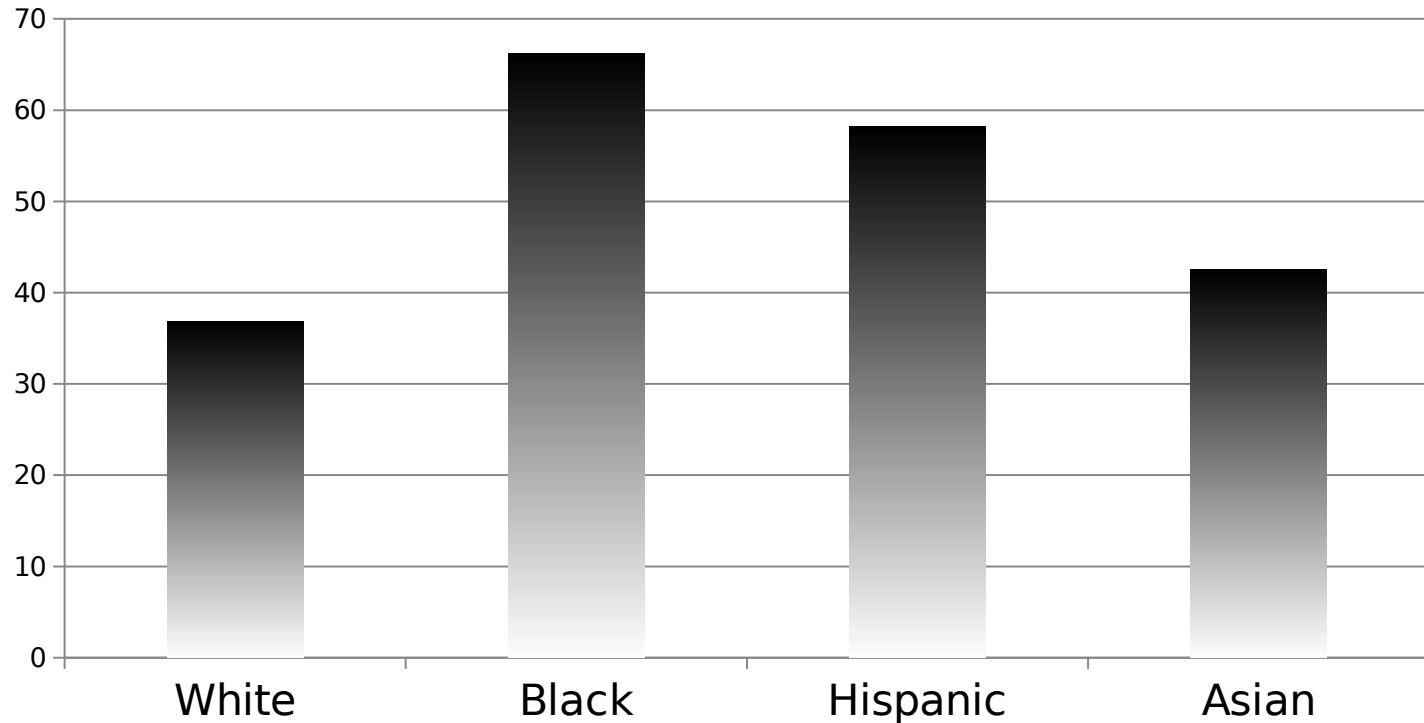
# Share of Population Living in High Poverty Neighborhood, 2007-2011



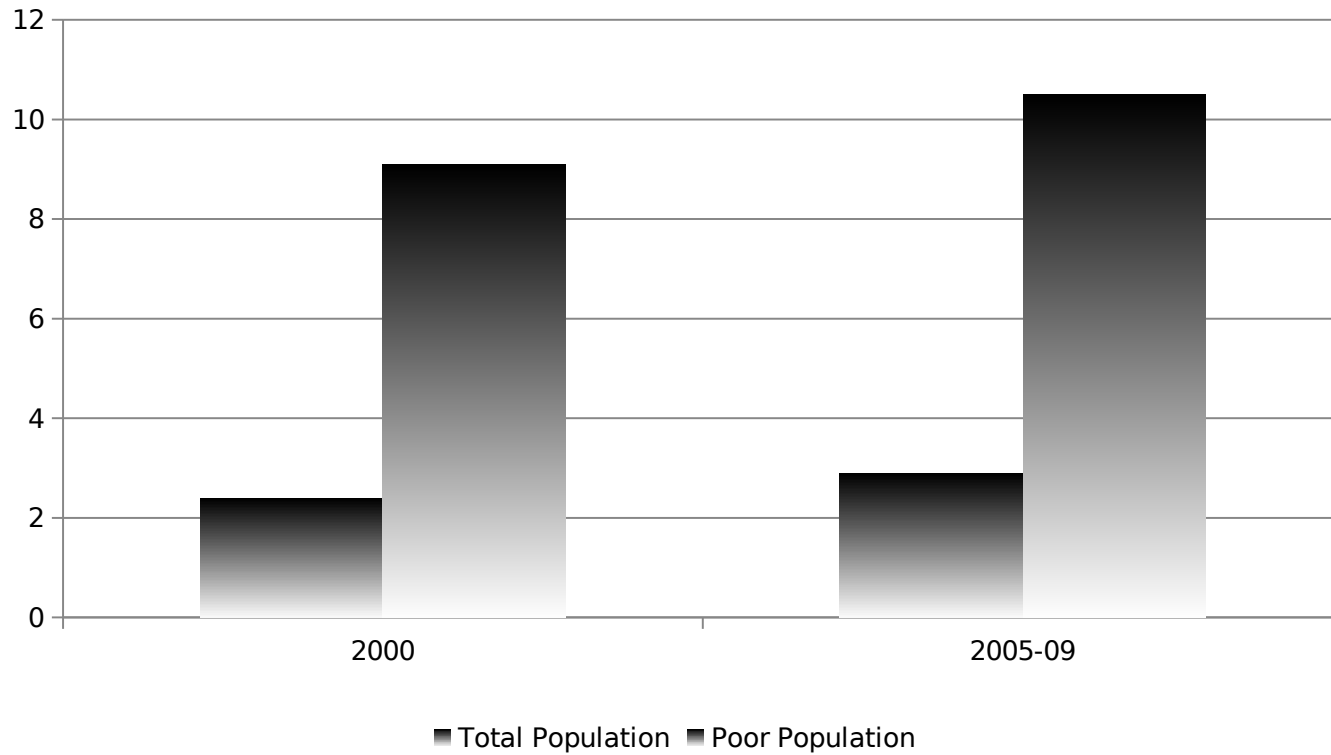
# Mean Percentile Ranking of Neighborhood School Test Scores, 2008



# Mean Percentile Ranking of Neighborhood Violent Crime Rate, 2000



# The Share of Poor and Total Population Living in High Poverty Neighborhoods



# Does Neighborhood Matter?

- Kids in high poverty neighborhoods fare worse
- Recent research casts some doubt about causes
- But strong evidence that the very highest poverty neighborhoods are not healthy places to live
  - Pat Sharkey’s work suggests that children who live in the most severely disadvantaged environments show large improvements in cognitive skills when they

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# **CAUSES of segregation**

# Causes of Income Segregation

- Growing income inequality
- Differences in price of housing
- Preferences – interaction with racial segregation
- Public policies
  - Current policies and legacy of past policies

# Causes of Racial Segregation

## ■ Market Forces

- Differences in income and wealth play small part
- Preferences - but not fixed and maybe not so benign

## ■ Market Failures

- Information
- Housing market discrimination - current and past

## ■ Public policies

- Current policies and legacy of past policies



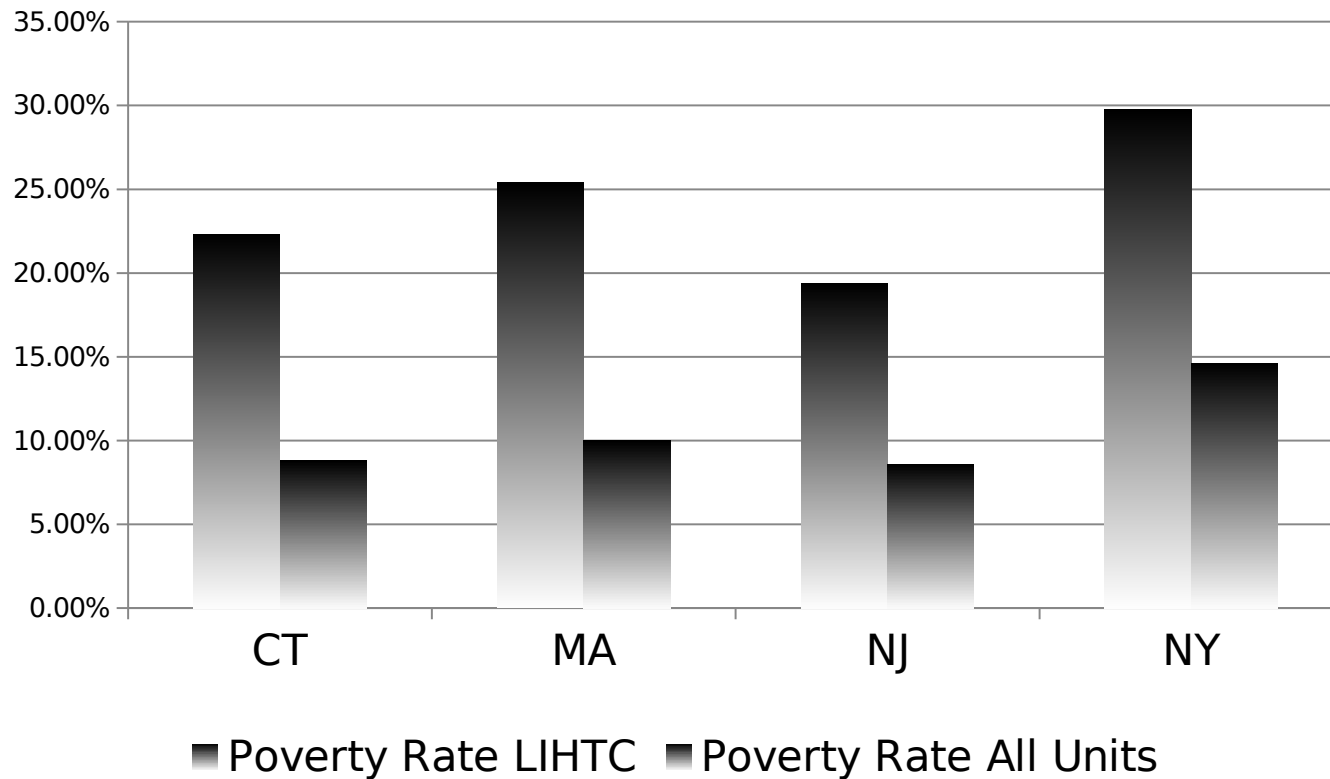
# Do Current Policies Contribute?

- Structure of local government invites segregation
  - Fiscal incentives for exclusion
- Exclusionary zoning/land use regulations
- Place-based subsidized housing programs
  - Siting of newly created subsidized housing?
  - Choices about which subsidized housing to preserve?

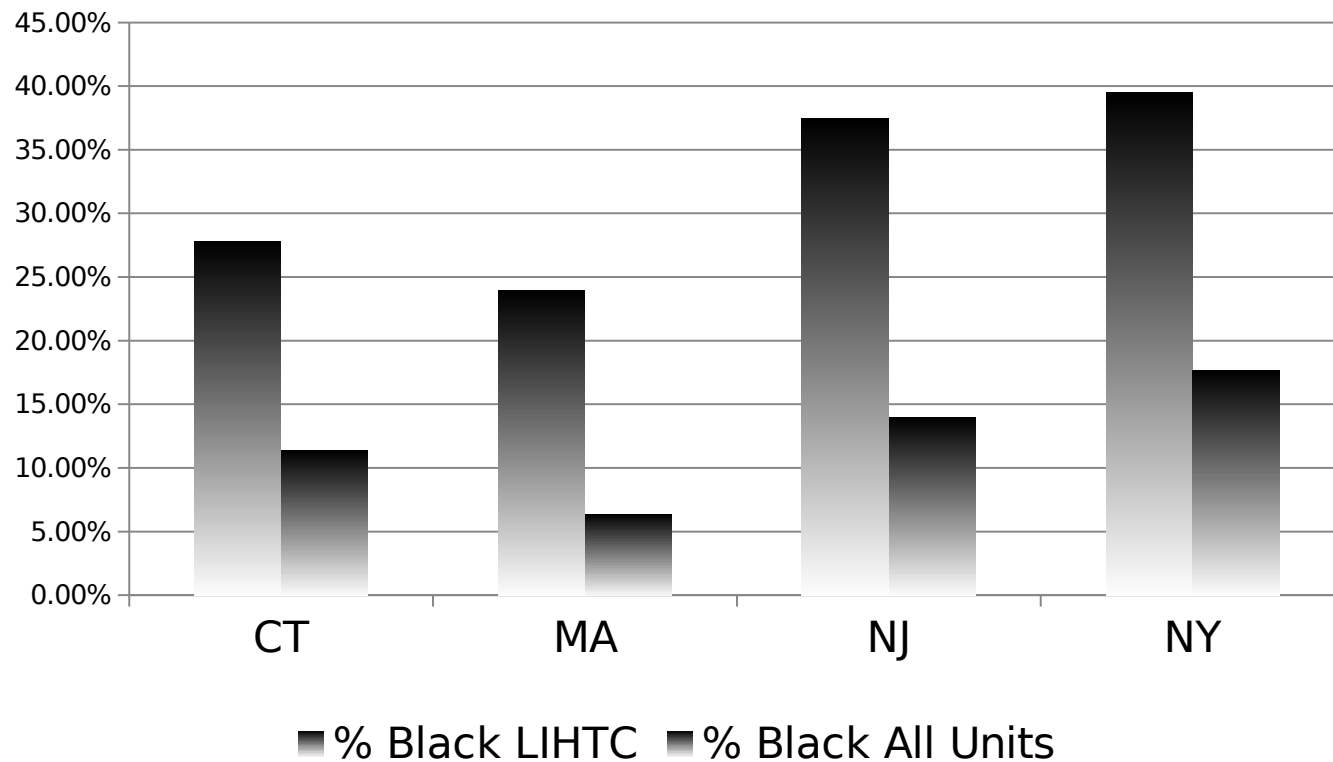
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# **Where are Subsidized housing units located?**

# Mean Neighborhood Poverty Rate



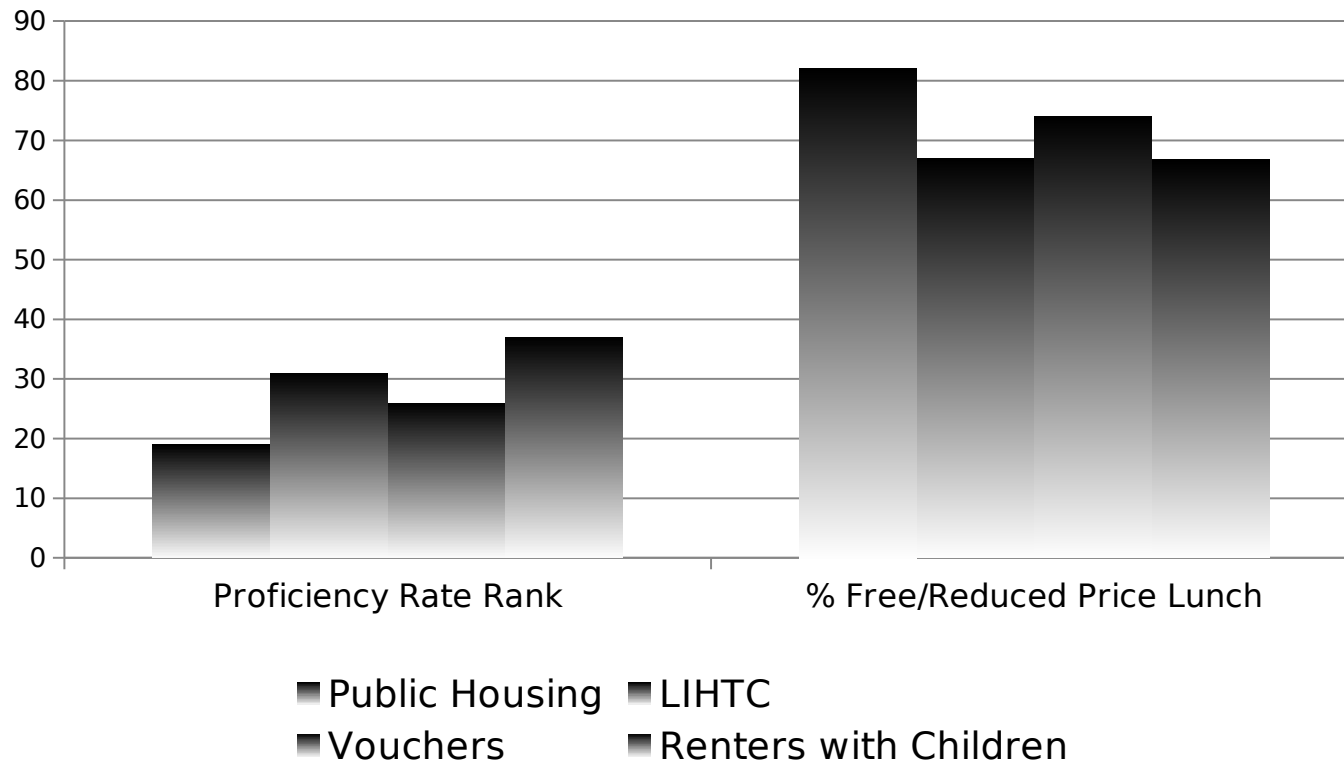
# Mean Neighborhood Percentage Black



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# **Which schools are near to Subsidized renters?**

# Median Characteristics of Schools Nearest to Assisted Households and Other Households with Children



\*\*LIHTC: To proxy for units with children, all units with fewer than 2 bedrooms are removed.

Source: Furman Center 2012, "Do Federally Assisted Households Have Access to High Performing Public Schools?" Prepared for PRRAC.

# School Outcomes Worse for Subsidized Tenants in MSAs in Northeast U.S.

- 15 of 100 Largest MSAs are in NY, NJ, CT, or MA
- These 15 MSAs are ranked among lowest in terms of access to good schools for subsidized tenants
  - *Voucher Holders*: 14 of 15 are ranked in bottom half of 100 MSAs; 12 of 15 are ranked in bottom quarter.
  - *Public Housing*: 13 of 15 are ranked in bottom half of 100 MSAs; 8 of 15 are

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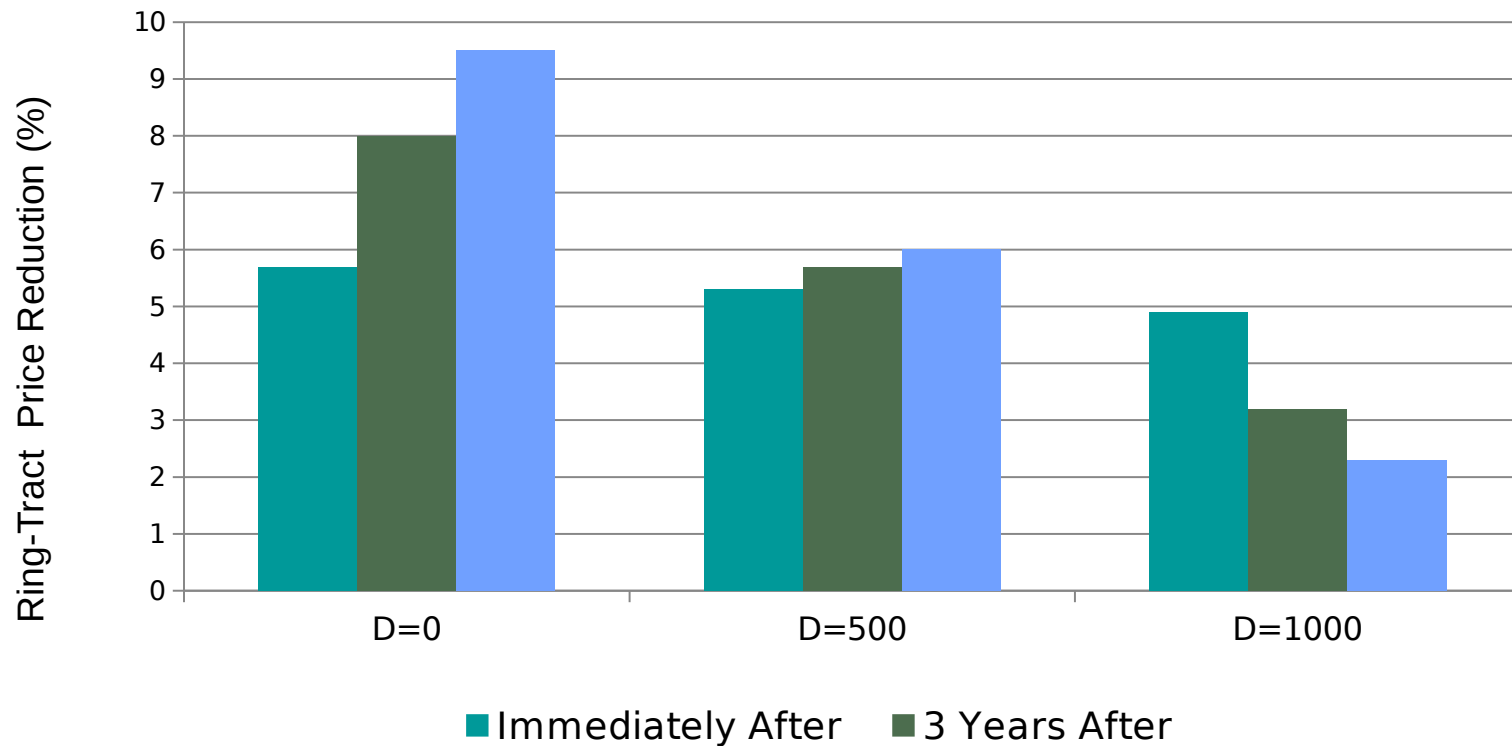
# Neighborhood revitalization



# Research on Neighborhood Impacts of LIHTC Investments in NYC

- Multiple Furman Center studies of the impacts of the substantial investments NYC made in affordable housing during late 1980s-early 2000s.
- Focus on impacts on the value of immediately surrounding properties
- Supported by MacArthur Foundation

# Impact of an Average-Sized LIHTC Development on Property Values in NYC



Source: Ellen and Voicu, 2007

# Is the New York City Story Unique?

- NYC = Unusual Case?
  - Other research is more mixed
  - New York City made these investments as part of a concerted plan to improve blighted, depopulated neighborhoods
  - Scale of investment was massive
  - Some effort to mix lower-income and moderate/middle-income housing
  - City as a whole was growing during the same time period
- But
  - Results suggest the housing itself improved neighborhoods – not other investments