



## Poor LIHTC tenants and neighborhood poverty rates

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# LIHTC Tenant Data Project

In part through partnering with NCSHA, more than half of state HFAs have voluntarily submitted at least one year of tenant data (purged of identifying information) to this project

- ❑ Stage 1: Tenant data analysis (previous work). This stage relied solely on the tenant data (from 18 states)
  - Incomes, rents charged and rent burdens
  - [http://furmancenter.org/files/publications/LIHTC\\_Final\\_Policy\\_Brief\\_v2.pdf](http://furmancenter.org/files/publications/LIHTC_Final_Policy_Brief_v2.pdf)
- ❑ Stage 2 (today): Linking Tenant data to Project data, and to census tract data.
  - Adding characteristics of the project (PIS, new construction) and the neighborhood (poverty rates)
  - Preliminary work today is based on 7 states, will be 10\*

# A little more about the data

- Today's presentation build's off our work investigating how the LIHTC program affects poverty concentration
  - At the neighborhood level, and overall in MSAs
  - *Draft available this summer*
- Given the focus on poverty concentration, we have used household income and size to determine poverty status for each LIHTC household
- Data is for 7 states. \*These states have better than average data (greater overall coverage of units, completeness of income, ability to link to project data and geocode)

# Focus today: Are poor LIHTC tenants accessing low poverty neighborhoods?

- First, we look at neighborhoods in which new LIHTC housing is built. **Do poor LIHTC tenants gain access to low poverty neighborhoods through newly constructed developments?**
- Then, looking at all LIHTC housing in an MSA. **Do poor in LIHTC housing access lower poverty neighborhoods than poor renters overall?**
- **\*\*All results are preliminary**

# Do poor LIHTC tenants gain access to low poverty neighborhoods through new developments?

<b>Newly Constructed developments, PIS 2009-20011 in MSAs</b>						
		<b>Tract household poverty rate:</b>				
	All	≤10%	10-20%	20-30%	30-40%	Above 40%
Number of LIHTC units	151130	33251	44770	33203	20973	18933
Share of LIHTC units	100.0%	22.0%	29.6%	22.0%	13.9%	12.5%
Share of Poor Renter Families	100.0%	13.1%	28.7%	24.5%	17.6%	16.1%

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Share of Poor Renter Families	100.0%	13.1%	28.7%	24.5%	17.6%	16.1%
Share of LIHTC poor	100.0%	17.3%	27.4%	23.1%	15.1%	17.2%
% poor in development	36.5%	28.6%	33.8%	38.4%	39.6%	50.0%

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Share of LIHTC poor	100.0%	17.3%	27.4%	23.1%	15.1%	17.2%
% poor in development	36.5%	28.6%	33.8%	38.4%	39.6%	50.0%



# Do LIHTC poor access lower poverty neighborhoods than poor renter families overall?

- Next analysis looks at all LIHTC developments in a state's MSAs, and compares neighborhood poverty rates of poor LIHTC tenants to those of poor renter families
- Here we present states individually to exploit variation across states

# Do LIHTC poor access lower poverty neighborhoods than poor renter families overall?

State #1	With LIHTC as is	
Average neighborhood Poverty rate:		
All poor	21.7%	
LIHTC poor	23.7%	
Renter family poor	23.1%	
% in low poverty tracts		
LIHTC poor	17.4%	
Renter family poor	11.2%	
% in extreme poverty tracts		
LIHTC poor	15.4%	
Renter family poor	12.1%	

# Do LIHTC poor access lower poverty neighborhoods than poor renter families overall?

State #1	With LIHTC as is	With LIHTC poverty constant across developments
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% in extreme poverty tracts		
LIHTC poor	15.4%	12.3%
Renter family poor	12.1%	

# Do LIHTC poor access lower poverty neighborhoods than poor renter families overall?

State #2	With LIHTC as is	With LIHTC poverty constant across developments
Average neighborhood Poverty rate:		
All poor	26.9%	26.5%
LIHTC poor	33.7%	28.7%
Renter family poor	27.6%	
% in low poverty tracts		
LIHTC poor	9.0%	13.0%
Renter family poor	13.3%	
% in extreme poverty tracts		
LIHTC poor	27.9%	18.2%
Renter family poor	30.5%	

# Do LIHTC poor access lower poverty neighborhoods than poor renter families overall?

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Average neighborhood Poverty rate:		
All poor	26.9%	26.5%
LIHTC poor	33.7%	28.7%
Renter family poor	27.6%	
% in low poverty tracts		
LIHTC poor	9.0%	13.0%
Renter family poor	13.3%	
% in extreme poverty tracts		
LIHTC poor	27.9%	18.2%
Renter family poor	30.5%	

# Last thoughts

- While a sizable share of LIHTC tenants are poor, potentially garnering them higher quality housing and lower rent burdens, they are not generally gaining access to lower poverty neighborhoods relative to other poor renter families
- This is due in part to their living disproportionately in developments located in higher poverty tracts
- But large changes in poverty exposure of poor LIHTC tenants would require more than redistributing tenants within existing siting patterns
- Meaningful in overall poverty concentration require more than changes to LIHTC