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POLICY RESEARCH BRIEF

Mixed-Income Neighborhoods Expand Social Networks and Benefit Health

New insights on the influence of a household's social networks underscore the importance of breaking up concentrated poverty.

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iving in concentrated poverty is harmful to health and well-being. Cut off from opportunities, families in predominantly poor neighborhoods live in environments that tax health, are more isolated from jobs, and have poorer schools. Limited social networks also play a role in these poorer outcomes (see the brief in this series <u>by Carlson and Devon</u>).¹ Several studies find that moving out of a high-poverty neighborhood expands the potential to meet and socialize with more economically diverse neighbors.² The broader social networks in turn can expand access to wider job networks, better health habits (peers can influence our exercise patterns, for example³), and other benefits.

Yet moving away can be difficult. Social ties bind many to nearby family and friends, and tight budgets make moving expensive even if a family can find an affordable home in a more affluent neighborhood. Housing Choice vouchers, which subsidize rents in higher-income neighborhoods, can help families relocate, but families still face several hurdles along the way. Only one in four very low-income families who apply for vouchers, for example, receives them, and not all landlords accept vouchers.⁴

Inclusionary zoning (IZ) also deconcentrates poverty. Under such zoning, developers are allowed to build more densely if they set aside a portion of new homes to be sold or rented at

KEY FINDINGS

- After moving into mixed-income neighborhoods, public housing residents' social networks widened to include those with more education, income, and more racial diversity.
- Public housing residents in mixed-income neighborhoods were happier with their neighborhood than their peers in traditional public housing and did not feel socially isolated
- The expanded social networks were associated with reduced smoking and depression.

below-market prices. The policy is intended to widely distribute small numbers of affordable housing wherever new construction occurs, and then keep those homes affordable for up to 40 years.

Montgomery County, MD, has the oldest and largest continuously operating IZ policy in the United States. It requires developers to set aside 12-15 percent of new homes at below-market rates. It is also the only program nationally where a local public housing authority has the legal right to purchase a portion of the IZ homes in a given housing subdivision. As a result, two-thirds of public housing residents in Montgomery County live in economically diverse, low-poverty neighborhoods.

This distinction allowed researchers to test whether having immediate neighbors who are more affluent can expand low-income families' social networks and whether those expanded networks influence health.⁵ Because public housing residents in Montgomery County are randomly placed in either mixed-income communities or traditional clustered public housing, researchers could confidently compare the two groups without the possibility that those who live in mixed-income communities differed somehow from those living in concentrated public housing, thus skewing the results.

Results show that when poor families live in mixed-income neighborhoods, their social networks expand, with added health benefits of lower depression and less smoking.

Social Networks Expand and Health Improves

The study asked three questions: Do those who live in scattered public housing have more economically diverse social networks than those in clustered public housing? Does satisfaction with the neighborhood vary? And are more affluent and educated networks associated with better health?

After moving into mixed-income neighborhoods, public housing residents' social networks changed. Compared with their peers in clustered public housing, those in scattered public housing had more contacts who had either graduated from college or were homeowners (high socioeconomic status [SES]) and fewer friends and acquaintances who either did not graduate from high school or who received public assistance for housing (low SES). Networks were more racially diverse as well. The density of social networks was the same across the two groups as were sources of emotional support and job links. Those in scattered public housing gained more affluent network members over time.

Past research had shown that moving often disrupts social ties and initially at least, families are less happy with their new neighborhood.⁶ But in Montgomery County, those living in mixed-income neighborhoods were happier with their neighborhood than their peers in clustered public housing and did not feel socially isolated. There were no differences in perceptions of safety, nor did those perceptions change over time.

The expanded social networks were also associated with reduced smoking and depression. A 10 percentage-point increase in the number of low-SES contacts in a network was associated with a 2.4 percentage point greater risk of depression and a 3 percentage point increase in smoking. (These findings complement those in another brief in this series by Ludwig and colleagues).⁷ More diverse social networks did not affect diet, as measured by fruit, vegetable, and sugary drinks intake, or self-reported ratings of health.

In short, low-income adults who lived among affluent neighbors reported fewer ties to those with low SES and more ties to higher SES individuals. This could mean that those living in mixed-income communities were shedding ties that were emotionally draining, or that they were building new friendships with higher SES individuals. The findings also show that these higher SES connections are beneficial to well-being, with lower rates of smoking and depression among those with more diverse social networks.

Policy Recommendations

These results show that inclusionary zoning has increased the economic diversity of low-income residents' social networks in Montgomery County, and through those, better health. Given that rates of smoking and mental distress are high among low-SES individuals,⁸ affordable housing and inclusionary zoning might be productive policy interventions to reduce the morbidity.

The findings may also help allay policy concerns that offering low-income households long-term affordable housing in higher-income neighborhoods will necessarily lead to increased social isolation.⁹

Finally, the results point to the strength of inclusionary zoning as a way to break up concentrated poverty. The IZ housing policy in Montgomery County offers a striking alternative because it has introduced small numbers of affordable housing (capped at 5 percent of homes in a given market-rate housing subdivision) across hundreds of subdivisions. In doing so, it has helped hundreds of low-income families expand their opportunities and health.

Endnotes

- 1 Deven Carlson et al., "With Time, Housing Choice Vouchers Contribute to Slightly Better Work Prospects for Disadvantaged Families" (Chicago: MacArthur Foundation, How Housing Matters series, 2016), https://www.macfound.org/media/files/HHM_Brief_-_Housing_ Choice_Vouchers_v2.pdf.
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- 8 F.J. Zimmerman and W. Katon, "Socioeconomic Status, Depression Disparities, and Financial Strain: What Lies Behind the Income-Depression Relationship?" Health Economics, vol. 14 (2005), pp. 1197–1215.
- 9 D.K. Levy et al., "Effects from Living in Mixed-Income Communities for Low-Income Families: A Review of the Literature (Washington, DC: Urban Institute, 2010), http://www.urban.org/uploadedpdf/412292-effects-from-living.pdf.

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ABOUT THE HOW HOUSING MATTERS TO FAMILIES AND COMMUNITIES RESEARCH INITIATIVE

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