The Fading American Dream
Percent of Children Earning More than Their Parents, by Year of Birth

Percent of Children Earning more than their Parents

- Child's Year of Birth


- Percent of Children Earning more than their Parents

90, 80, 70, 60, 50
The Geography of Upward Mobility in the United States
Average Income at Age 35 for Children whose Parents Earned $25,000 (25th percentile)

Note: Blue = More Upward Mobility, Red = Less Upward Mobility
Source: Chetty, Friedman, Hendren, Jones, Porter 2018

- Seattle $35.8k
- Charlotte $26.3k
- San Francisco Bay Area $37.9k
- Salt Lake City $37.9k
- Detroit $28k
- Boston $37.1k
- New York City $36.6k
- Washington DC $34.5k
- Los Angeles $34.8k
- Charlotte $26.3k

Note: Blue = More Upward Mobility, Red = Less Upward Mobility
Source: Chetty, Friedman, Hendren, Jones, Porter 2018
Upward Mobility vs. Job Growth in the 30 Largest Metro Areas

Average Income at Age 35 of Children who Grew up in Low-Income Families

Job Growth Rate (%) from 1990-2010

$26K

$30K

$34K

$38K
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Source: Chetty, Friedman, Hendren, Jones, Porter 2018
Two Americas: The Geography of Upward Mobility For Black vs. White Men
Average Income at Age 35 For Men Whose Parents Earned $25,000 (25th percentile)

**Black Men**
- Seattle: $24k
- Detroit: $22k
- Boston: $28k
- Newark: $26k
- Charlotte: $21k

**White Men**
- Seattle: $37k
- Detroit: $34k
- Boston: $40k
- Newark: $48k
- Charlotte: $35k

Note: Blue = More Upward Mobility, Red = Less Upward Mobility
Source: Chetty, Hendren, Jones, Porter 2018
The Geography of Opportunity in Detroit
Mobility Estimates for Low-Income Kids from the Metropolitan Detroit Area
The Geography of Opportunity in Detroit
Adult Household Incomes for Black Children Raised in Low-Income Families in Detroit
The Geography of Opportunity in Detroit
Adult Household Incomes for Black Children Raised in Low-Income Families in Detroit

Goldberg
Mean Household Income for Black Men: $14,000

Aviation Subdivision
Mean Household Income for Black Men: $29,000
The Geography of Opportunity in Detroit

Incarceration Rates for Black Children Raised in Low-Income Families in Detroit

Goldberg
Incarceration Rate for Black Men: 17%

Aviation Subdivision
Incarceration Rate for Black Men: 4.3%
Every Year of Exposure to a Neighborhood Matters
Potential Income Gained from Moving to a Higher Opportunity Neighborhood, by Age

Graph showing the relationship between the age of a child when parents move and the average income at age 35. The graph indicates that the potential income gained decreases as the age of the child when parents move increases.
From Research to Local Solutions: Three Pillars

Reducing Segregation
Help Low-Income Families Move to High-Opportunity Areas

Place-Based Investments
Increase Upward Mobility in Low-Opportunity Areas

Improving Higher Education
Amplify Impacts of Colleges on Mobility
From Research to Local Solutions: Three Pillars

Reducing Segregation
Help Low-Income Families Move to High-Opportunity Areas

Place-Based Investments
Increase Upward Mobility in Low-Opportunity Areas

Improving Higher Education
Amplify Impacts of Colleges on Mobility
Randomized trial to develop and test policy-scalable strategies to reduce barriers housing choice voucher recipients face in moving to high-opportunity areas in Seattle and King County

This research was funded by the Bill & Melinda Gates Foundation, Chan-Zuckerberg Initiative, Surgo Foundation, the William T. Grant Foundation, and Harvard University
Key Elements in the CMTO Intervention

**Customized Search Assistance**
- High-opportunity area education to increase families’ knowledge about high-opportunity areas.
- Rental application coaching to increase families’ competitiveness for rental units by addressing credit history and preparing a narrative.
- Housing locator services to help families identify suitable units in high-opportunity areas.

**Increased Landlord Engagement**
- Cultivate relationships with landlords in designated high-opportunity areas to create housing opportunities for CMTO families.
- Expedite lease-up processes by completing PHA required documents and conducting housing inspections more quickly.
- Insurance fund to mitigate risks of property damage.

**Short-Term Financial Assistance**
- Grants to defray move-in expenses, such as application fees and security deposits (on average $1,000).
Fraction of Families Who Leased Units in High Opportunity Areas

Share of Households Who Moved to High Opportunity Areas

Control: 15.1%

Treatment: 53.0%

Historical mean rate: 11.6%

Difference: 37.9 pp
SE: (4.2)
Destination Locations for Families that Leased Units Using Vouchers
Satisfaction with New Neighborhoods
Based on Surveys Six Months Post-Move

Satisfaction with New Neighborhood

<table>
<thead>
<tr>
<th></th>
<th>Control</th>
<th>Treatment</th>
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<tbody>
<tr>
<td>45.5%</td>
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<td>64.2%</td>
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Difference: **18.7 pp**
SE: (10.1)

Certainty about Wanting to Stay in New Neighborhood

<table>
<thead>
<tr>
<th></th>
<th>Control</th>
<th>Treatment</th>
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<tbody>
<tr>
<td>30.3%</td>
<td></td>
<td>47.7%</td>
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</table>

Difference: **17.4 pp**
SE: (9.8)
LIHTC developments tend to be concentrated in areas of low economic mobility and high poverty.

In Newark, there are not many developments in higher-opportunity neighborhoods for low-income children.
Low Income Housing Tax Credit Developments in Essex County

Many high-opportunity areas outside the city lack any LIHTC developments.
Redlining
Essex County

“Best”
“Still Desireable”
“Definitely Declining”
“Hazardous”
OPPORTUNITY INSIGHTS

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