

The Foreclosure Crisis in Three Cities: Children, Schools, and Neighborhoods

Project Team

- Baltimore Neighborhood Indicators Alliance -Jacob France Institute, University of Baltimore
- Furman Center for Real Estate and Urban Policy and Institute for Education and Social Policy at New York University
- NeighborhoodInfo DC at the Urban Institute

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Mobility's Potential Negative Impact on Children

- Moving residences
 - Grade retention, hinder school completion, and a lack of interpersonal skills
 - More concern about reactive moves
- Switching schools
 - Decreased academic performance, especially for young children
 - Social, behavioral, and interpersonal problems
 - Schools with large student mobility tend to perform worse as well



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Research Questions

- Description and trends of students affected by foreclosure
- Determine whether foreclosure impacts:
 - Residential mobility and school switching
 - Difference in quality between origin and destination neighborhoods and schools
 - Individual students' test scores (Baltimore only)

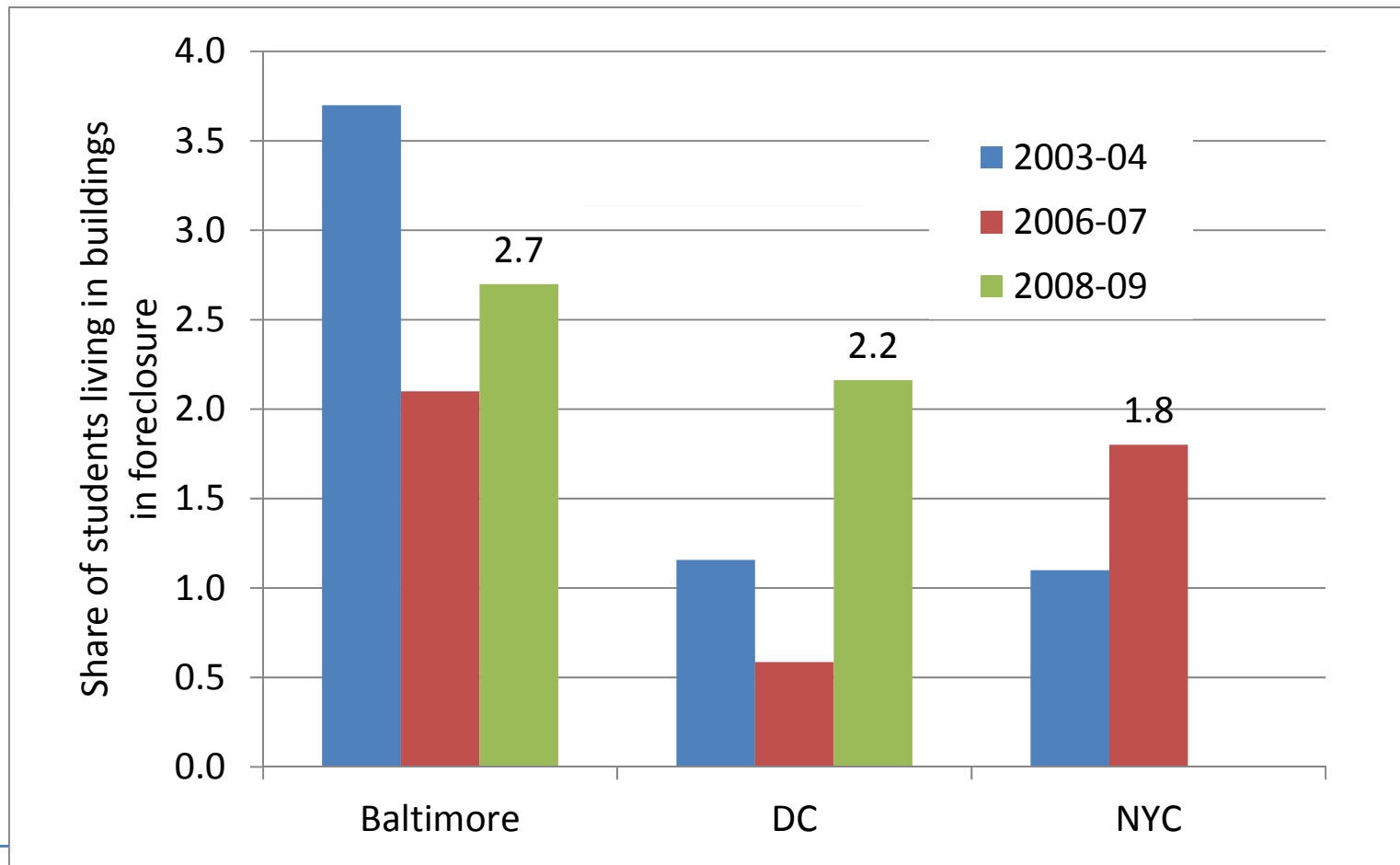


Methodology

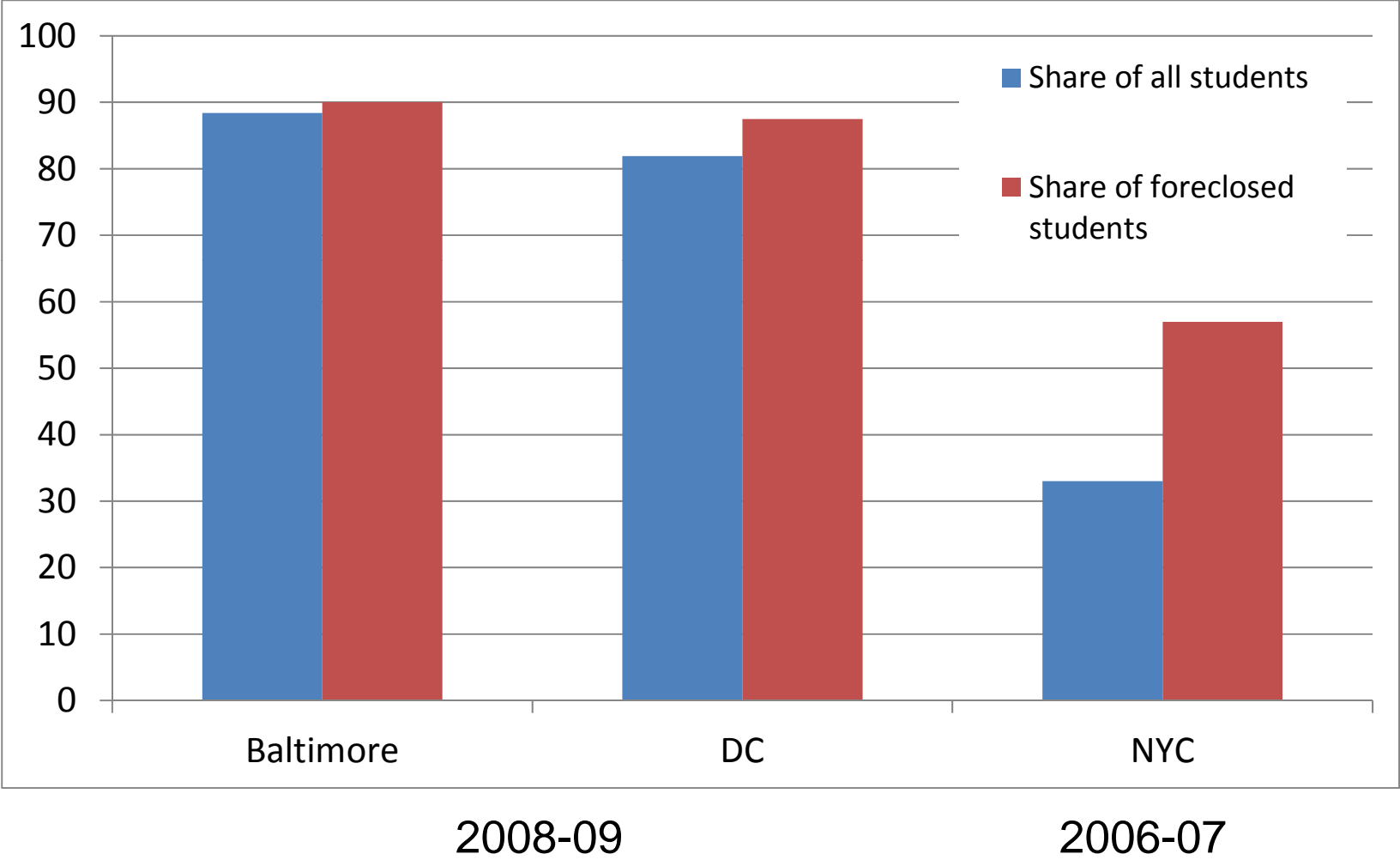
- Study identified children living in households that receive foreclosure notice or lis pendens
 - Very beginning of the foreclosure process
- Data
 - Public schools (student- & school- level)
 - Neighborhood-level data
 - Foreclosure data
 - Property sales and characteristics data



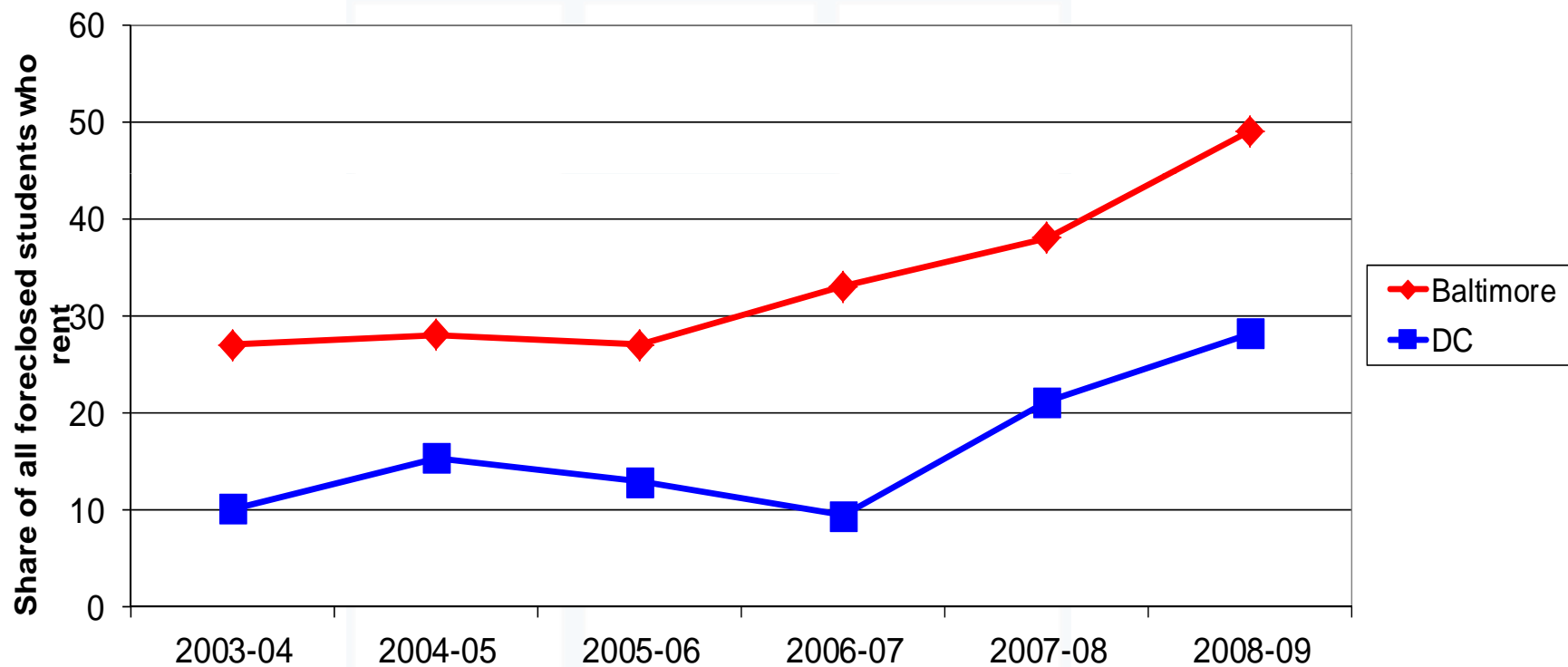
Rising Share of Students Affected by Foreclosure in All Three Cities



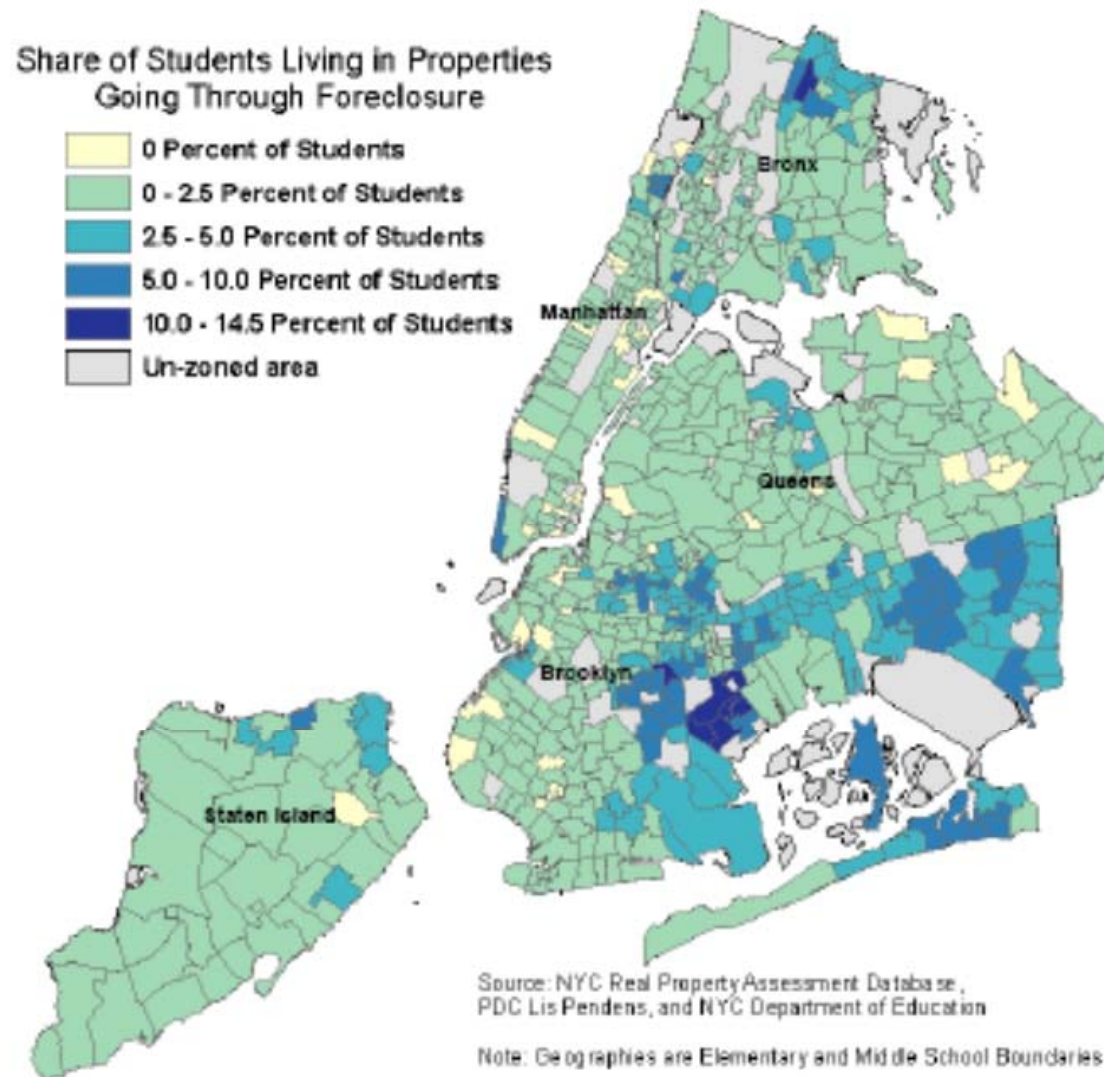
African-American Students Disproportionately Affected by Foreclosures in NYC



Share of Renter Students in Foreclosure Households Is Increasing



Concentration of NYC Students Affected by Foreclosure, 2006–07



Exit Rates from the Public School System

	Baltimore	Washington, D.C.	New York City
	2007-08 to 2008-09		2006-07 to 2007-08
Grades 1-7			
All students	9%	16%	7%
Students in foreclosed homes	15%	20%	3%
Difference	+6%	+4%	-4%



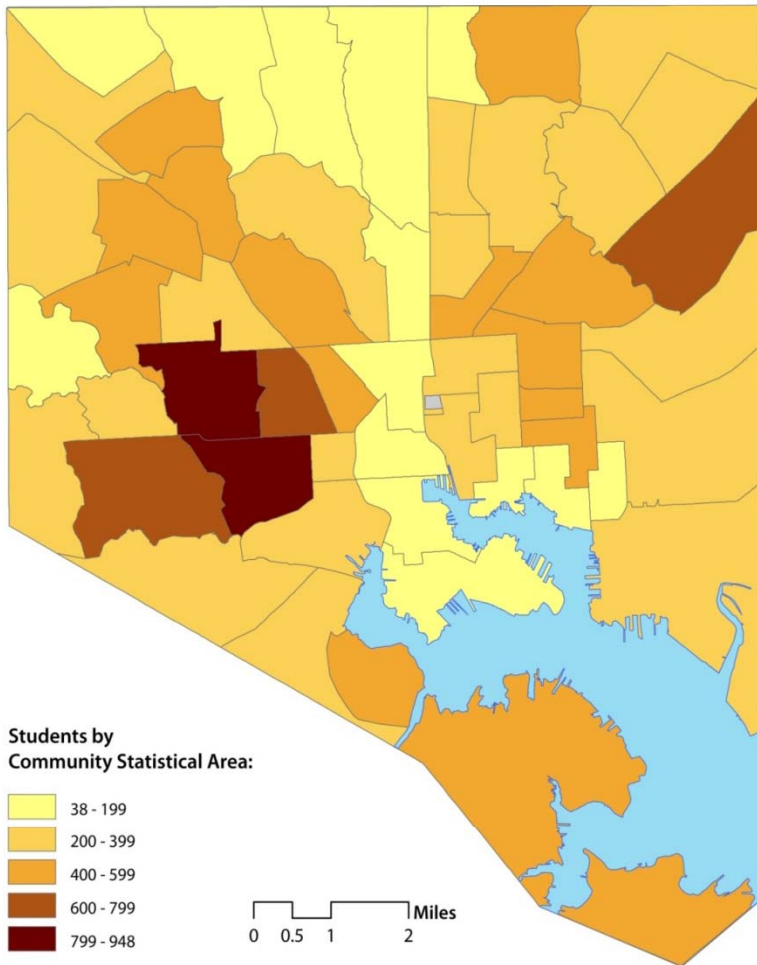
Residential Mobility Rates

	Baltimore	Washington, D.C.
Grades PS-11	2007-08 to 2008-09	2007-08 to 2008-09
All students	14%	17%
Students in foreclosed homes	21%	29%
Difference	+7%	+12%



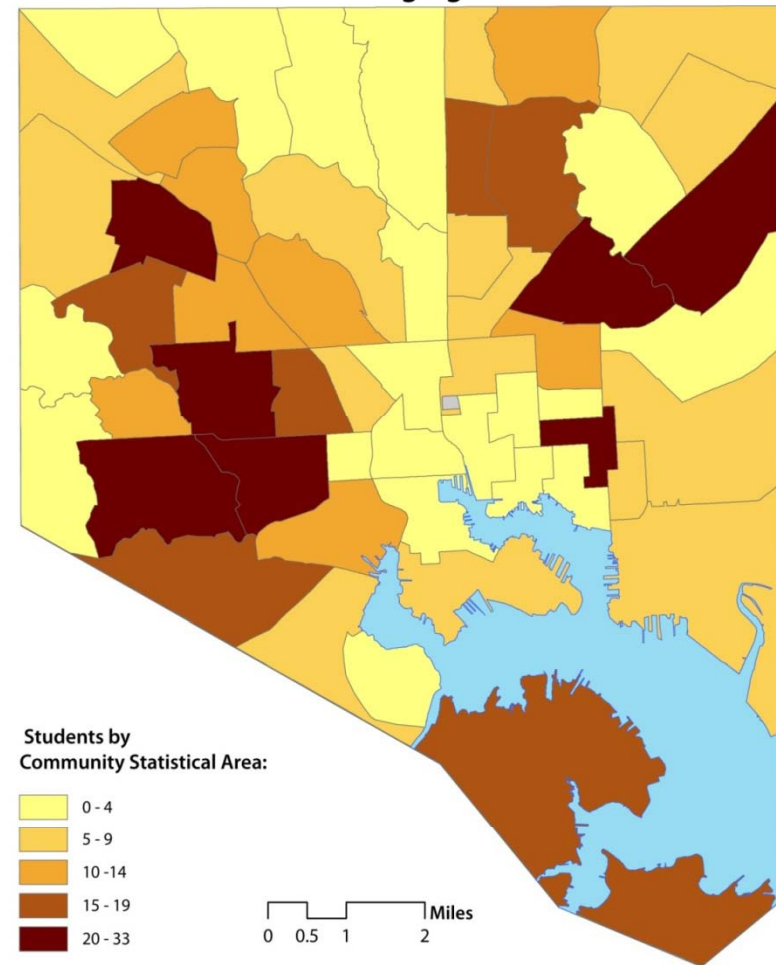
Number of Children Changing Residences

Map 2:
Number of All Students Changing Residences



Source: BNIA-JFI analysis of Baltimore Public School System data

Map 3:
Number of Students Affected by Foreclosure Changing Residences



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School Switching Rates

	Baltimore	Washington, D.C.	New York City
	2007-08 to 2008-09		2006-07 to 2007-08
Grades 1-7			
All students	21%	38%	19%
Students in foreclosed homes	24%	48%	22%
Difference	+3%	+10%	+3%



Summary of Findings

- Foreclosure harms public school children...
 - Through increased school and housing mobility rates
 - Through moving to worse quality schools (NYC) and having slightly lowered test scores (Baltimore) – similar to all kids who switch schools
 - Through experiencing a greater drop in school quality than other switchers (DC)
- Change in neighborhood quality similar in Baltimore and DC



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Other Insights

- Results affected by state foreclosure process and local school contexts
- Foreclosure should be viewed in context of all residential & school instability – small piece of the whole picture.
- Not capturing all effects – parental stress, economic hardship



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Local Action

- Ensure children who move out-of-boundary mid-year can stay in their school
- Identify children who become homeless/doubled-up and qualify for McKinney-Vento benefits
- Inform families in foreclosure about school policies, support services, and the potential negative effects of school instability
- Do housing counseling outreach through schools



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Getting practitioners' input

- Held two roundtables with housing counselors, school homeless liaisons, and school practitioners
- Strengths of institutions and collaborations varied by site
- Enthusiasm for improving communication among sectors
- Writing up summary of findings in the next month or so



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Individual research reports at:

<http://www.neighborhoodindicators.org/activities/projects/effects-foreclosure-children-and-schools>