



HOW DO RENTERS COPE WITH UNAFFORDABILITY?

Household-Level Impacts of Rental Cost
Burdens in Los Angeles

Jovanna Rosen, Sean Angst, Soledad De Gregorio, Gary Painter

USCPrice

Sol Price School of Public Policy
Sol Price Center for Social Innovation

How do Renters Cope with Unaffordability? Household-Level Impacts of Rental Cost Burdens in Los Angeles

Jovanna Rosen, Sean Angst, Soledad De Gregorio, Gary Painter
Sol Price Center for Social Innovation, University of Southern California

ABSTRACT

This paper presents findings from a door-to-door household survey in South and Central Los Angeles to understand the impacts of high housing cost burdens for renters. While prior research has shown that households reduce consumption in response to rent burden, this survey uncovers the pervasive nature of the coping strategies undertaken by renters, and the financial precarity that results. Among the nuances uncovered, we find that rent-burdened households—who spend more than thirty percent of their income on rent—make more cutbacks than families spending less on rent to reduce their consumption of many basic needs, such as food, clothing, and family activities. In many cases, these cutbacks have become semi-permanent. Additionally, although housing costs affect renters throughout the city, the strains appear larger and more enduring in Central Los Angeles than in South Los Angeles. These findings suggest that renters have experienced deep and enduring impacts from the rental affordability crisis, which existed long before the pandemic. Therefore, researcher and practitioner efforts must not only address the impending evictions crisis stemming from the pandemic shut-down, but also tackle the enduring goal of long-term rental affordability to address the significant immediate and long-term effects for impacted residents.

INTRODUCTION

Following the COVID-19 pandemic and related economic recession, academic scholars and practitioners have warned of a looming eviction crisis. Data from the Eviction Lab shows that as of late September 2020, landlords in their 17 tracked cities had already filed for 48,379 evictions during the pandemic (Eviction Lab, 2020). A report from the Urban Institute in late May 2020 found that about one-quarter of Black and Latino renters either did not pay or deferred rent payments in May, while only approximately 14 percent of White renters did so. Across all groups, lower-income renters were more likely to not pay or defer rent, with approximately 25 percent of renters affected. People of color and low-income households were disproportionately impacted by the 2007-2008 housing market crisis, and the 2020 pandemic-driven crisis appears to exacerbate these same fundamental inequalities (Green & McCargo, 2020).

Now that the pandemic has moved into the Fall season, as many as 40 million renters nationally are at risk of not making rent, prompting statewide eviction bans that eventually led to an historic nationwide eviction ban (Benfer et al., 2020). Beyond the precarity faced by all renters, families living in informal arrangements are at even higher risk of losing their housing. As a result, policymakers and practitioners have emphasized the need to intervene to support low-income workers and renters facing eviction due to the economic effects of the pandemic. These events underscore the impact of this unprecedented historical moment and near-historically high unemployment rates on renter precarity.

However, low- and moderate-income renters faced acute challenges before the pandemic. Over the past few decades, rental affordability has become an increasingly impactful phenomenon across the United States, especially in urban areas like Los Angeles. Rising

housing costs and stagnant wages require residents to spend more of their incomes on housing, straining household budgets. Over the ten-year period between 2000 and 2010, rents in the city increased 28 percent, while median household incomes rose just 1.2 percent (Los Angeles Department of City Planning, 2013). By 2018, 55.0 percent of renter households in the region¹ were considered rent-burdened, meaning they pay over 30 percent of their income on housing costs. This 30 percent marker represents a critical threshold after which residents begin to make impactful sacrifices to afford rent. Demonstrating the severity of the issue, one in four renter households (25.0 percent) in the U.S. were considered severely rent-burdened in 2018, paying over half of their income on rent (Joint Center for Housing Studies, 2020).

Beyond the worrying statistic that over half of Los Angeles residents experience rent burden, evidence suggests that rent burden rates have worsened over time, enrolling a greater share of the overall population, and intensifying in severity for low-income households. Between 2006 and 2018, middle-income households in the region experienced dramatic changes: rent burden rates among households earning between \$30,000 and \$44,999 increased from 77 percent to 85.4 percent, with rates of severe rent burden—those spending more than 50 percent of their income on rent—rising from 22.8 to 39 percent. For households earning between \$45,000 and \$74,999, rent burden rates jumped from 38.3 percent to 56.3 percent from 2006 to 2018, while rates of severely rent-burdened households nearly doubled, increasing from 5.4 percent to 10.6 percent. Moreover, rates of severe rent burden among households earning between \$15,000 and \$29,999 rose from 61.4 percent to 71.6 percent over this time, with the rent burden rate for this income group steadily hovering around an alarming 90 percent (Harvard Joint Center for Housing Studies,

2020). These statistics illustrate the deepening rental affordability crisis, which overwhelmingly impacts low-income and, now, middle-income residents across the Los Angeles region.

Despite the impactful nature of rising housing costs, much remains unknown about how rental cost increases affect residents and urban regions more generally. Most rental affordability research to date has examined the broader impacts of affordability at a high level, using large administrative datasets to track broader, population-level patterns among impacted households. As a result, prior research has provided insufficient insight into how rental affordability operates, how it impacts residents in Los Angeles specifically, as well as the different outcomes created across populations. We respond to this knowledge gap by undertaking primary data collection to develop new insight into the impacts of the housing affordability crisis in Los Angeles, with implications for urban regions across the nation.

This paper draws from a unique, primary survey dataset to illustrate the deep and pervasive impacts of high rents on affected households, which preceded the COVID-19 pandemic. We use survey data from Los Angeles to reveal the existing, significant strain that high rents have created for most renters. By employing data collected in 2019, we can trace the rental precarity that existed just prior to the pandemic event and describe the pre-pandemic conditions renters experienced. In so doing, we support the notion that, while the pandemic-related eviction crisis is a historic event that warrants both serious study and significant intervention, the baseline that existed prior to the pandemic was deeply problematic for affected renter households. Our findings underscore that interventions must address not only the immediate effects of the pandemic on renters, but also fundamental, long-standing rental market issues.

¹ The methodologies used by the Harvard Joint Center for Housing Studies (2020) define the Los Angeles metropolitan area as encompassing Los Angeles, Long Beach and Anaheim.

Drawing on evidence from a large-scale, door-to-door survey undertaken across Los Angeles in 2019, this research focuses on understanding how renters cope in response to rising housing cost pressures in the region. This paper also uniquely examines the duration of the impacts to estimate coping patterns and extents, which helps illuminate how significant this problem has become. Further, this paper reveals how coping responses and the duration of these responses differ across immigrant and U.S.-born groups, as well as across the two Los Angeles Promise Zones: the Los Angeles Promise Zone (LAPZ, in Central Los Angeles) and the South Los Angeles Transit Empowerment Zone (SLATE-Z, in South Los Angeles).

This research illustrates the significant and pervasive issues that emerge for Los Angeles renters from rising housing costs, which forces them to make impactful cutbacks. Across all populations and geographies studied, an overwhelming share of residents make cutbacks in order to make rent. These necessary coping decisions suggest both short- and long-term impacts for affected residents, which have become pervasive across the entire renter population. We find statistically significant differences in the extent of coping strategies across the Promise Zones, with residents in LAPZ reporting making more cutbacks than in SLATE-Z, and LAPZ residents making these cutbacks for longer. This finding follows the broader trends across these two geographies, where much of LAPZ is widely understood to be in a more advanced state of gentrification than SLATE-Z (Zuk & Chapple, 2020). While we do not find significant differences in trade-offs across immigrant and U.S.-born groups, immigrant households (defined as all adults in the household born outside of the United States) tend to live in smaller units, earn less income, and pay lower rents. Finally, the findings suggest that rent burden impacts have extended into a larger share of households, which raises important concerns for

policymakers and practitioners working to support renters, particularly after the pandemic has worsened economic conditions.

Rent Burden as a Housing Affordability Measure

As rent increases have outpaced wage growth, the housing affordability crisis has become more widespread across the Los Angeles region. The rent burden measure is widely applied as a means to estimate housing affordability for renters, by assessing how much of total income a renter spends on housing costs, including rent and utilities. Households are considered rent-burdened when members pay over 30 percent of their total income on rent and utilities. Households are deemed severely rent-burdened when they pay over half of their income on rent and utilities. The rent burden measure provides important insight since it captures housing costs relative to income, and therefore estimates relative affordability. Research has shown that after this 30 percent rent burden threshold, households begin to make impactful cutbacks in their food, energy, healthcare, education and other spending that affects their quality of life (Gabriel & Painter, 2018; Lopoo & London, 2016; Newman & Holupka, 2016; Mason et al., 2013; Kirkpatrick & Tarasuk, 2011, 2007; Pollack et al., 2010; Mueller & Tighe, 2007; Harkness & Newman, 2005).

Altogether, the rent burden measure implies that affected households lack sufficient resources to afford essential goods and services, particularly low-income households and those with larger household sizes. Indeed, across households of equal incomes, families with dependents must distribute their remaining resources more thinly and have less money per person available to spend, as compared to households with fewer people. As a result, rent-burdened households must make tragic choices—between paying rent and basic necessities such as food, education, energy, parenting time, and healthcare—which ultimately

produce dire intergenerational consequences and enormous stress (Gabriel & Painter, 2018; Lopoo & London, 2016; Newman & Holupka, 2016; Mason et al., 2013; Kirkpatrick & Tarasuk, 2011, 2007; Pollack et al., 2010; Mueller & Tighe, 2007; Harkness & Newman, 2005). Therefore, growing rent burden places substantial, uneven pressures on households, which warrant further examination to understand the broader effects of this phenomenon. This research aims to build more in-depth insight into these questions. In the next section, we review existing research on rent burden. In the sections that follow, we describe the survey research and present and discuss the survey findings.

RENT BURDEN LITERATURE

The literature on rent burden has focused on attempts to identify the nature and extent of the phenomenon, using descriptive statistics and correlational relationships to uncover patterns. The research has found that in response to rent burden, households generally reduce their housing-related costs, reduce their other expenses, or both. Related to the former, rent-burdened households are more likely to live in doubled-up and overcrowded conditions (Diaz McConnell, 2016; Hernández et al., 2016), as well as “lower quality housing or [in] neighborhoods with higher crime rates or lower performing schools” (Gabriel & Painter, 2018, 3; Kirkpatrick & Tarasuk, 2011; Kirkpatrick & Tarasuk, 2007).

While these findings suggest some elasticity in housing consumption in response to rent burden, it is only possible to cut housing consumption back to a certain point. For this reason, rent burden contributes to broader metropolitan effects, as rent-burdened households are also more likely to move farther from job centers and commute longer (Sultana, 2002). Among these regional effects, rent burden-related moves increase congestion and commutes (Cervero 1989, 1996; Sultana, 2002). Rent burden also contributes to reduced diversity across metropolitan

regions (Turner, 2009; Abiad et al., 2015; Benner & Pastor, 2015), even motivating some residents to leave the region altogether (Ben-Shahar et al., 2018). Some have found that rent burden can undermine regional growth, though the claim is under dispute (Glaeser & Gyourko, 2018; Hsieh & Moretti, 2019).

Beyond shifting housing consumption and promoting displacement, numerous studies address how households alter behavior in response to rent burden. Rent-burdened households frequently reduce spending in other parts of their budget, including food, education, health, and energy expenses (Kirkpatrick & Tarasuk, 2007, 2011; Newman & Holupka, 2016). Scholars have traced significant impacts related to these coping strategies, finding that these shifts contribute to worse health and educational outcomes for children, and reduced mental health and prescription adherence rates among adults (Lopoo & London, 2016; Mason et al., 2013; Pollack et al., 2010; Mueller & Tighe, 2007; Harkness & Newman, 2005). Newman and Holupka (2015; 2016) directly trace these impacts to housing costs, with “an inverted U-shaped relationship between the fraction of income spent on housing costs and both cognitive achievement and enrichment spending on children. The inflection point for this correlation occurs at roughly 30 percent—the standard designation of burden” (Gabriel & Painter, 2018, p. 4).

Research has shown that the coping strategies contribute to pervasive health impacts. Housing overcrowding in particular is associated with worse youth health and educational outcomes (Brennan & Lipman, 2008; Cohen, 2011). Meltzer and Schwartz (2016) also find an association between higher rent burden and inferior health outcomes, including both self-reported health outcomes and the need to delay medical treatment for financial reasons. Moreover, the authors find that “housing cost burden is equally or more important than other physical housing characteristics in explaining the variation in

self-reported general health status and health care postponement” (Meltzer & Schwartz, 2016, p. 80). Taken together, prior research demonstrates the impactful nature of growing housing cost-to-income ratios, which can drive other forms of vulnerability for affected households.

Rent burden impacts and coping strategies among immigrant households

Some research has found that Spanish-speaking immigrant households spend less on utilities, on average, than similarly situated African American and non-Hispanic White households. However, this finding may result from greater energy conservation, since energy insecurity is defined as spending over 10 percent of monthly income on utility costs (Hernández et al., 2016). Among immigrant households, unauthorized immigrants lack access to some housing subsidies and may face additional barriers to securing housing, including policies intended to prevent landlords from renting to them (Diaz McConnell, 2013). Further, housing cost burden differs across authorization status. Unauthorized immigrants have a greater likelihood of experiencing housing cost burden and additional challenges in affording housing, due to factors such as employment barriers, driving their disproportionate need to double-up to afford housing (Diaz McConnell, 2013).

Institutional obstacles also prevent immigrants from accessing resources that are instrumental for wealth-building, integration, and vulnerability reduction—from obtaining an identification card or opening a bank account, to securing housing and health insurance—which further deepens inequality (Vallejo, 2012A; Telles & Ortiz, 2008). For similar reasons, immigrant households are less likely to live in single-family detached houses, particularly newer immigrants, but rather tend to live in “large, multiunit structures” (Greulich et al., 2004, 164). Sociological literature indicates that immigrant households and

families may cope very differently in response to stressors, leveraging social support networks to access additional resources. Whereas middle-class and U.S.-born families can more often draw from institutions for support, marginalized populations and immigrants cannot similarly access these resources (Pattillo, 2013; Telles & Ortiz, 2008). Scholars studying Latino immigrant families have demonstrated how social supports can alleviate stressors and assist in connecting individuals to resources (Vallejo 2012B; Padilla, et al., 1988).

Further, prior research suggests that coping strategies and impacts likely differ across populations and geographies (Joint Center for Housing Studies, 2020). Thus, our current research bridges this important literature gap to build a deeper understanding of the far-reaching and complex effects of this phenomenon. In particular, we focus on highlighting the differences in rent burden coping strategies, including the cutbacks or adjustments made across both immigrant and U.S.-born households, as well as across the two different Promise Zones. In the next section, we describe our research design and methods employed in primary data collection, followed by the research findings.

METHODS

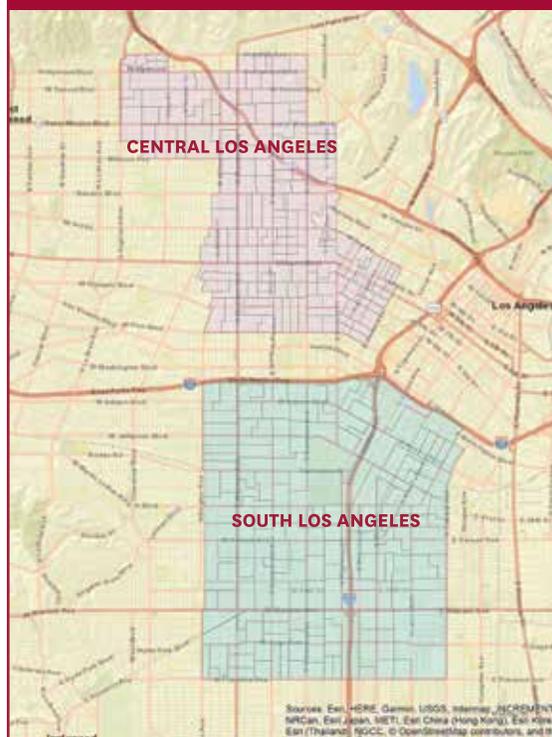
Primary data collection involved a large-scale, door-to-door survey across the two Los Angeles Promise Zones: the Los Angeles Promise Zone (LAPZ, in Central Los Angeles) and the South Los Angeles Transit Empowerment Zone (SLATE-Z, in South Los Angeles). We present the surveyed Promise Zone areas in Figure 1, where the area to the north in pink delineates the surveyed region of LAPZ, and the area to the south in blue refers to the surveyed region of SLATE-Z. The area within these boundaries roughly approximates the two Promise Zones. We targeted the Promise Zones because these areas are similarly characterized by high poverty, large immigrant populations, a high proportion of rent-burdened residents, and

significant gentrification pressures. At the beginning of the project, the SLATE-Z area had approximately 198,000 residents, with 72 percent renters, and about 46 percent of residents living under the federal poverty line. Over half of children lived in poverty, which was more than twice the rate in Los Angeles County. About 17 percent of residents were undocumented immigrants and 42.7 percent were foreign-born. Comparatively, LAPZ housed 165,362 residents, with 95 percent renters and 35 percent living below the poverty line. Additionally, 61 percent of residents were born outside of the United States.²

The Promise Zones in Los Angeles hold important similarities—notably their existence within the same city, state, and regional context, large immigrant populations, and high proportion of residents dealing with rent burden. Yet, these areas also hold key differences, which allow for a detailed comparison between the different areas and across different populations. LAPZ has experienced gentrification, neighborhood change, and displacement pressures more widely and for a longer period of time (Zuk & Chapple, 2020). In addition, the Promise Zone designation means that each of these areas exists within a collective impact initiative that involves active engagement along issues of housing unaffordability and organizing, to improve neighborhood conditions for low-income residents. The collective impact initiatives provide strong institutional partners for research and a pathway for policy remediation based on the results. For this reason, we break out many of the results by examining differences across the Promise Zones and across immigrant and U.S.-born populations, since these factors may represent important sources of variation.

We employed a 2-stage random block sampling design, in which we randomly selected smaller

FIGURE 1. Central and South Los Angeles surveyed neighborhoods



Note: the two survey areas are approximations of the Promise Zone geographies, but do not match their exact boundaries. We refer to the Central Los Angeles area as LAPZ and the South Los Angeles Area as SLATE-Z, interchangeably.

geographic units (2010 U.S. Census Block Groups) within each Promise Zone. This process was necessary in order to create sufficient address density to make a door-to-door approach feasible. In total, we randomly selected 20 different Census Block Groups within each Promise Zone out of 183 in South and 178 in Central Los Angeles. We used standard weighting and sample determination techniques to determine the requisite sample sizes needed for the statistical power to make significant conclusions related to each location and sub-population (Krejcie & Morgan, 1970). Based on these calculations, we attempted to secure a minimum of 767 surveys, with roughly half from each Promise Zone, to ensure a sufficient sample for representative analysis across geographic

² These statistics were generated from author calculations using 2013-2017 American Community Survey 5-year Sample. These statistics depict neighborhood characteristics at the beginning of the project.

groups. We randomly selected addresses to visit within each block group, based on a full set of addresses within these Block Groups, purchased from Marketing Systems Group. This geographically-based approach allowed us to cover all Census tracts within each area and employ random sampling of street blocks as well as households within street blocks to achieve a robust and valid sample.³

The survey was deliberately undertaken through a door-to-door approach in order to access harder-to-reach populations. Given that this survey unfolded concurrent with a major shift in immigration policy towards heightened policing of undocumented residents, and our specific desire to capture the experiences of all residents, it was particularly important to attempt to survey residents at their homes, to more consistently reach all populations.

With the randomized addresses identified, we created walking routes for surveyors to follow during each shift, to more efficiently cover the blocks in a linear fashion. For each 4-hour survey shift, teams of undergraduate students went to one assigned Census Block Group to complete their routes. Nearly every shift included multiple Spanish-speaking surveyors in order to ensure the greatest possible linguistic coverage. Over 40 undergraduates worked as surveyors on this project. Surveyors were trained and supervised in the field by one of our core research team members, which included graduate students and faculty. We conducted the survey in both English and Spanish on electronic tablets, which allowed us to upload responses to our data servers as soon as the shifts concluded and researchers had access to Wi-Fi.

We conducted surveying from January to October 2019 during evenings and on weekends. The team visited each block group at least three times, including at least one weekday and one weekend visit to sample across households with different work schedules. Surveyors attempted to reach each address at least once, with most addresses attempted at least twice (once during a weekday and a weekend). When residents were not home or did not answer the door, surveyors left a slip of paper behind inviting residents to call a number and schedule an individual appointment for a follow-up, in-person survey.

Surveyors attempted to reach a total of 11,262 addresses. Many addresses lacked doorbells and front doors were hard to access because they were located behind a locked gate or had a large dog or some other barrier. For locked gates at apartment buildings, surveyors waited up to 15 minutes for someone to enter and let them in, or longer if several apartments were to be surveyed within the same building. Initial calculations estimate that surveyors reached about 76 percent of doors, and surveyors spoke to someone at that address for 49 percent of the total addresses. An estimated 43 percent of the total 11,262 different addresses yielded a conversation with someone who was eligible to take the survey, which we use as the relevant total population for calculating a response rate. By eligibility, the individual(s) reached by the surveyor: 1) lived at the residence; 2) could complete the survey in either English or Spanish; 3) were renters (since this study focused on rent burden and therefore not homeowners)⁴; 4) had sufficient knowledge of household finances; and 5) were over age 18. Of these eligible residents who answered their doors, the survey

³ Balance checks confirmed no statistically significant differences across randomly selected and non-selected Census tract block groups on key variables such as population with immigrant status and median household income. Results available upon request.

⁴ We likely underestimate the number of homeowners in the sample, since homeowners were only classified as such if they explicitly told surveyors that they owned homes. This suggests that the number of eligible households reached is likely lower than described here, which would imply that the true response rate of eligible households reached is higher than 16.3 percent.

yielded 794 complete surveys. Therefore, the survey yielded an estimated overall response rate of 16.3 percent. Survey respondents were given a twenty-dollar gift card as compensation for their time and willingness to participate.

The survey protocol was informed by data from 36 focus groups with 358 participants conducted by the research team across the Southern California region during 2017 and 2018. The focus groups generated valuable insight into the nuanced and complex effects of housing affordability. The survey was designed to test these insights as hypotheses at a population level, and build a deeper understanding of the generalizability of these initial findings.⁵

The population-level survey approach, with a geographically randomized sample, allows us to infer generalized conclusions across the two Promise Zones, as well as across and between immigrant and U.S.-born populations. However, it is always important to note possible study and sample limitations. Our approach likely creates additional bias based on who was willing and able to participate. We attempted to reduce response bias by visiting each address more than once, and during different days of the week and at different times. Due to our inability to survey beyond English and Spanish, we also likely underestimate responses from immigrant populations, as well as the diversity that exists within and across immigrant populations. Further, the physical barriers created by gates and locked apartment buildings prevented surveyors from reaching some households. Although it did not appear that these barriers were specific to one type of residence, building type, or geographic location, it remains unknown

whether and how these barriers may have created systematic bias within these data.

In the next section, we present findings from this large-scale, door-to-door survey. First, we review demographic information on the survey sample, to both describe the demographics of Promise Zone residents as well as the respondents. Next, we address the cutbacks or adjustments that households are making in response to housing affordability pressures.

SURVEY SAMPLE

Table 1 displays information on the survey sample.⁶ Over half of respondents (60 percent) were women. This disproportionate representation by women in the survey sample likely reflects disparate working and home responsibilities across gender, where women were more likely to be at home during evenings and weekdays when surveying occurred. Respondent demographics were very diverse, which corresponds to both the diversity of residents in the Promise Zones, as well as the fact that we surveyed in both Spanish and English. This approach enabled significant participation by Spanish-speaking residents.

The average household surveyed was comprised of the following: three household members, living in a one or two bedroom apartment, with one working adult, at least one foreign-born adult, and one U.S.-born adult, and one adult with a high school diploma or higher levels of education. In total, 41 percent of households had children under 18 years of age. Half of surveyed households had been living at their current address for less than five years. Surveyed households had a monthly median income of \$2,600.

⁵ These sample size calculations are estimates based on response data from two block groups, one in each Promise Zone. Researchers applied these tracts to estimate address access and eligibility across the entire Promise Zones. Analysis for the full survey response rate is ongoing.

⁶ These numbers reflect information from the 794 completed surveys. The sample size may vary from this 794 total number, since different questions yielded different response rates, and others questions were only relevant from some respondents (for example, they were only asked about previous addresses if they reported ever living in a previous address).

The median rent was \$1,212, but after considering both rent and utilities, the median cost of housing-related expenses rises to \$1,342. Therefore, these statistics illustrate the severe financial impact of the wage-housing cost imbalance: the median household spent

an average of 48% of their income on housing related costs. Therefore, the average surveyed household is almost severely rent-burdened, with half of surveyed households severely rent-burdened and 73 percent rent-burdened at the 30 percent level.

TABLE 1. Household and respondent characteristics

	Mean
RESPONDENT	
Latino	0.56
White	0.14
Black	0.23
Native American	0.00
Asian	0.06
Other race/ethnicity	0.01
Female	0.60
Survey administered in Spanish	0.30
HOUSEHOLD	
# people that stayed in the house/ apartment the night prior	3.16
# people living at this address (including respondent)	3.16
HH contains at least one child under 18 years of age	0.41
HH contains at least one foreign-born adult	0.57
HH contains at least one U.S.-born adult	0.69
Someone 14+ speaks English as primary language	0.80
Someone speaks English very well	0.91
Highest education in hh: Completed hs or more	0.78
Highest education in hh: Completed college (BA) or more	0.30
Number of working adults in the hh (FT,PT or temp)	1.35
HH monthly income	3771.41
Total rent at current address	1335.89
Total cost of household rent and utilities	1435.54
Rent-to-income ratio	0.54
HH is rent-burdened (30%+ of income on gross rent)	0.73
HH is severely rent-burdened (50%+ of income on gross rent)	0.48
Single-family home	0.18
Apartment building or multi-family home	0.80
# bedrooms in current home	1.63
Respondent has lived in current home <2 years	0.31
Respondent has lived in current home 2 to 5 years	0.23
Respondent has lived in current home 5 to 10 years	0.19
Respondent has lived in current home 10 to 20 years	0.16
Respondent has lived in current home for 20+ years	0.12
Number of respondents:	794

Note: The exact number of responses for each question varies slightly due to non-response.

Differences across Promise Zones

As expected, survey respondents across Promise Zones differed demographically, reflecting the differences that exist across the two areas. Surveying in SLATE-Z (South LA) yielded much higher levels of Latino and Black respondents, while LAPZ (Central LA) had much higher levels of White and Asian respondents. Across both areas, Latino respondents comprised the largest race or ethnic group surveyed, with 36% of SLATE-Z surveys conducted in Spanish, and 24% in LAPZ administered in Spanish (see Table 2). Beyond demographics, differences existed in household composition across the two areas. Surveyed households in SLATE-Z had more people, were much more likely to have children, and were more likely to have at least one U.S.-born adult. Education levels were reportedly lower in SLATE-Z, particularly for attaining a college degree and above.

Interestingly, rent costs did not vary significantly across the two Promise Zones, and similarly rested around \$1350. This likely reflects that over half of total households had lived in their current housing for over five years and enjoyed the cost benefits of rent control. However, gross rent (including utilities) yielded a higher total cost in SLATE-Z. Households in SLATE-Z reported spending a significantly higher amount of their incomes on rent (on average spending 77%, as opposed to 58% in LAPZ). With higher gross rent and lower incomes on average, households in SLATE-Z were more likely to be severely rent-burdened, though levels of rent burden at the 30% level were relatively similar across these two geographies. SLATE-Z residences were also far more likely to be single-family homes, as opposed to multi-family homes or apartments, and have more bedrooms.

TABLE 2. Household and respondent characteristics by Promise Zone

	LAPZ (Central LA)	SLATE-Z (South LA)	
	Mean	Mean	Difference
RESPONDENT			
Latino	0.48	0.63	-0.155 ***
White	0.24	0.04	0.199 ***
Black	0.14	0.31	-0.173 ***
Native American	0.00	0.01	-0.002
Asian	0.12	0.01	0.115 ***
Other race/ethnicity	0.02	0.01	0.016 *
Female	0.56	0.64	-0.075
Survey administered in Spanish	0.24	0.36	-0.123 ***
HOUSEHOLD (HH)			
# people that stayed in the house/ apartment the night prior	2.43	3.87	-1.439 ***
# people live at this address (including yourself)	2.47	3.83	-1.369 ***
HH contains at least one child under 18 years of age	0.27	0.54	-0.279 ***
HH contains at least one foreign-born adult	0.56	0.58	-0.023
HH contains at least one U.S.-born adult	0.64	0.74	-0.093 **
Someone 14+ speaks English as primary language	0.80	0.79	0.009
Someone speaks English very well	0.90	0.92	-0.018
Highest education in hh: Completed hs or more	0.83	0.73	0.102 **
Highest education in hh: Completed college (BA) or more	0.44	0.17	0.270 ***
Number of working adults in the hh (FT, PT or temp)	1.38	1.31	0.074
HH monthly income	3906.39	3645.63	260.768
Total rent at current address	1320.31	1351.08	-30.768
Total cost of household rent and utilities	1378.71	1491.11	-112.402 *
Rent-to-income ratio	0.49	0.58	-0.089 ***
HH is rent-burdened (30%+ of income on gross rent)	0.70	0.76	-0.062
HH is severely rent-burdened (50%+ of income on gr rent)	0.41	0.55	-0.140 ***
Single-family home	0.05	0.30	-0.246 ***
Apartment building or multi-family home	0.94	0.67	0.268 ***
# bedrooms in current home	1.21	2.05	-0.833 ***
Respondent has lived in current home <2 years	0.35	0.27	0.088 **
Respondent has lived in current home 2 to 5 years	0.20	0.25	-0.042
Respondent has lived in current home 5 to 10 years	0.18	0.20	-0.018
Respondent has lived in current home 10 to 20 years	0.14	0.18	-0.041
Respondent has lived in current home for 20+ years	0.13	0.11	0.013
HH contains at least one US born adult	0.64	0.74	-0.093 **
Number of respondents	392	402	

Note: The exact number of responses for each question varies slightly due to non-response.

Note: * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$ indicates statistical significance.

Differences across immigrant status

Table 3 shows strong differences across immigrant and U.S.-born households. Immigrant households (defined as having all adults born outside the United States) were more likely to have a survey respondent that identified as Latino and Asian than households with at least one U.S.-born adult. Conversely, households with at least one U.S.-born adult were far more likely to have a White or Black survey respondent. Immigrant households have higher incidences of linguistic isolation, defined as occurring when no household member speaks English as a primary language or speaks English very well. Not surprisingly, households with at least one U.S.-born adult had extremely low levels of linguistic isolation. Immigrant households reported lower levels of education, lower monthly incomes (albeit not statistically significant), and reported paying less in monthly rent and gross rent, though they had the same number of working adults as U.S.-born households.

In contrast, households with U.S.-born adults had, on average, higher education, higher incomes (though not statistically significant) and higher rents, though they had the same number of income earners per household. Surprisingly, however, immigrant households were not significantly more likely to be rent-burdened. Rather,

immigrant households reported multiple differences from U.S.-born households that help them avoid additional rent burden, though which may create additional harm. Immigrant households were more likely to live in apartments, have fewer bedrooms for the same number of household members, and were less likely to have lived in their current residence for less than two years. In contrast, U.S.-born households were more likely to have moved to their current residence within the past two years and to live in a single-family home. These conditions could partially explain the higher rents of U.S.-born households, which increases their rent burden to levels equal to that of immigrant households, despite the lower relative incomes of immigrant households. Also, although immigrant and U.S.-born households have the same number of working adults on average, the average household income of immigrant households is almost 20% lower than U.S.-born households. Importantly, these findings suggest important differences in housing conditions that rent burden measures obscure, but that nonetheless likely influence residents' quality of life. As a result, these findings illustrate the limitations of the rent burden measure as a sole indicator. We will explore these differences in further research from this dataset.

TABLE 3. Household and respondent characteristics, by immigrant status

	<i>Immigrant HH All adults are foreign born</i>	<i>U.S.-Born HH HH contains at least one U.S.-born adult</i>	
	Mean	Mean	Difference
RESPONDENT			
Latino	0.80	0.45	0.351 ***
White	0.04	0.18	-0.142 ***
Black	0.02	0.32	-0.291 ***
Native American	0.00	0.01	-0.006
Asian	0.11	0.04	0.064 **
Other race/ethnicity	0.03	0.01	0.024 **
Female	0.59	0.60	-0.012
Survey administered in Spanish	0.63	0.16	0.475 ***
HOUSEHOLD			
# people that stayed in the house/ apartment the night prior	3.09	3.19	-0.100
# people living at this address (including respondent)	3.15	3.16	-0.008
HH contains at least one child under 18 years of age	0.45	0.39	0.064
Someone 14+ speaks English as primary language	0.50	0.92	-0.426 ***
Someone speaks English very well	0.70	0.99	-0.290 ***
Highest education in hh: Completed hs or more	0.54	0.89	-0.355 ***
Highest education in hh: Completed college (BA) or more	0.24	0.33	-0.095 **
Number of working adults in the hh (FT,PT or temp)	1.34	1.35	-0.011
HH monthly income	3220.00	4010.00	-795.000 *
Total rent at current address	1190.00	1400.00	-213.000 ***
Total cost of hh rent and utilities	1270.00	1510.00	-239.000 ***
Rent-to-income ratio	0.54	0.53	0.006
Rent-burdened hh (30%+ of income on gross rent)	0.77	0.71	0.053
Severely rent-burdened hh (50%+ income on gross rent)	0.49	0.48	0.015
Single-family home	0.11	0.20	-0.089 *
Apartment building or multifamily housing	0.88	0.77	0.108 ***
# bedrooms in current home	1.43	1.73	-0.300 ***
Respondent has lived in current home <2 years	0.23	0.34	-0.113 **
Respondent has lived in current home 2 to 5 years	0.21	0.23	-0.026
Respondent has lived in current home 5 to 10 years	0.22	0.18	0.043
Respondent has lived in current home 10 to 20 years	0.18	0.15	0.033
Respondent has lived in current home for 20+ years	0.16	0.10	0.064
Number of respondents	246	548	

Note: The exact number of responses for each question varies slightly due to non-response.

Note: * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$ indicates statistical significance.

FINDINGS

Rent burden rates and characteristics

Table 4 shows important differences in rent burden across groups. Latino families represented the largest proportion of families in the surveyed areas, and represented the largest group among rent-burdened families as well. Black respondents represented a higher proportion of rent-burdened households, particularly in the severely rent-burdened category. In contrast, White households were far less likely to be rent-burdened, especially severely rent-burdened. Asian households were also less likely to be rent-burdened. Spanish-speaking households where no family member over 14 spoke English as their primary language were more

likely to be rent-burdened and severely rent-burdened. As might be expected, households with higher levels of education were less likely to be rent-burdened and severely rent-burdened. Further, households with fewer working adults were more likely to be rent-burdened, with the average non-rent-burdened household having almost two working adults (1.72) and the average severely rent-burdened household having much closer to one working adult (1.24). Higher monthly income and lower rents were also associated with lower likelihood of rent burden and severe rent burden. Surprisingly, however, incidence of rent burden and severe rent burden were not significantly affected by how long the respondent had lived in their current housing.

TABLE 4. Household and Respondent Characteristics, by rent burden

RESPONDENT	No Rent Burden	30% Rent Burden	50% Rent Burden	Diff 1	Diff 2
	Mean	Mean	Mean	No-30%	No-50%
			30%	50%	
Latino	0.51	0.59	0.59	-0.080	-0.035
White	0.19	0.12	0.10	0.070*	0.078**
Black	0.17	0.23	0.27	-0.061	-0.110***
Native American	0.01	0.00	0.00	0.009	0.008
Asian	0.11	0.05	0.04	0.060 **	0.054**
Other race/ethnicity	0.02	0.01	0.01	0.002	0.005
Female	0.57	0.63	0.66	-0.059	-0.080
Survey administered in Spanish	0.14	0.36	0.39	-0.221 ***	-0.174 ***
HOUSEHOLD					
# people that stayed in the house/ apartment the night prior	3.23	3.20	3.25	0.030	-0.070
# people live at this address (including yourself)	3.18	3.20	3.26	-0.015	-0.126
Someone 14+ speaks English as primary language	0.87	0.77	0.75	0.101 **	0.093 **
Someone speaks English very well	0.92	0.89	0.90	0.030	0.016
Highest education in hh: Completed hs or more	0.92	0.75	0.71	0.174 ***	0.165 ***
Highest education in hh: Completed college (BA) or more	0.44	0.27	0.23	0.163 ***	0.171 ***
Number of working adults in the hh (FT, PT or temp)	1.72	1.36	1.24	0.368 ***	0.417 ***
HH monthly income	7590	2430	1850	5160.0 ***	3830 ***
Total rent at current address	1220	1400	1470	-183.0 **	-238 ***
Total cost of hh rent and utilities	1280	1530	1610	-254.0 ***	-298 ***
Single-family home	0.15	0.18	0.19	-0.034	-0.041
Apartment building or multifamily housing	0.82	0.80	0.78	0.029	0.048
# bedrooms in current home	1.59	1.66	1.75	-0.064	-0.212 **
Respondent has lived in current home <2 years	0.34	0.31	0.32	0.033	-0.013
Respondent has lived in current home 2 to 5 years	0.17	0.24	0.24	-0.074 *	-0.024
Respondent has lived in current home 5 to 10 years	0.24	0.18	0.19	0.066	0.021
Respondent has lived in current home 10 to 20 years	0.14	0.15	0.14	-0.005	0.019
Respondent has lived in current home for 20+ years	0.10	0.12	0.12	-0.020	-0.002
Hh contains at least one U.S.-born adult	0.73	0.68	0.69	0.057	0.013
Hh contains at least one foreign-born adult	0.55	0.60	0.57	-0.044	0.020
Number	188	504	334		

Note: * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$ indicates statistical significance.

Rent burden cutbacks and duration

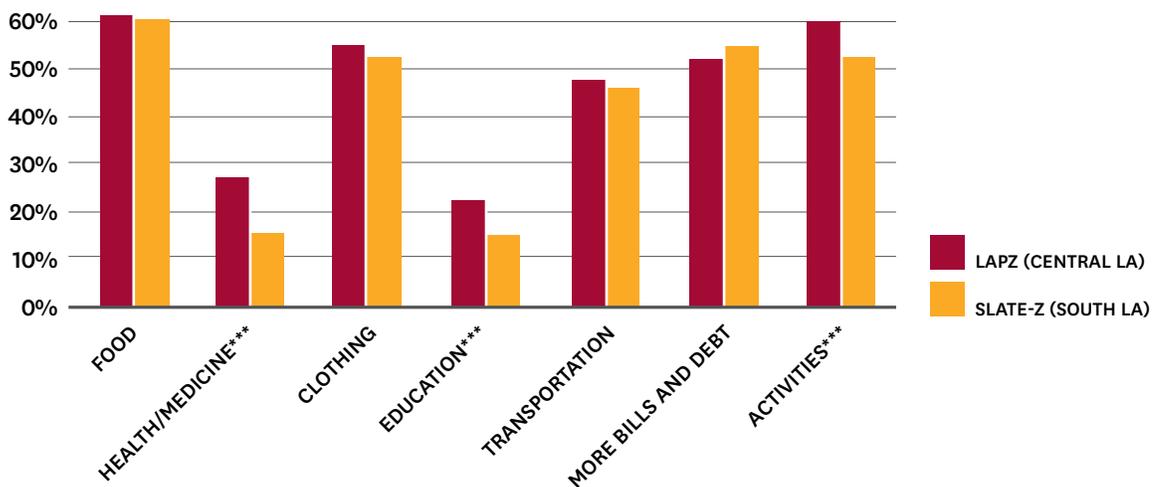
Respondents reported making significant cutbacks or adjustments in response to housing costs across both Promise Zones (see Figure 2 and Table A.1). In each area, almost two-thirds of people cut back on food to offset their high housing costs in the past two years. Moreover, approximately half of residents cut back on clothing, and/or entertainment and family activities. Half of residents in each Promise Zone also deferred bill payment and/or took on more debt in the prior two years. Finally, roughly one-fifth of residents reduced health expenses and one-third decreased their transportation costs.

When examining these survival strategies in more detail across each Promise Zone, it appears that cutbacks are more entrenched in LAPZ (Central LA), with residents making more permanent changes to their lives in order to survive. This is first evidenced by food cutbacks, where the proportion of residents that cut back on food is roughly even across Promise Zones. However, a large share of those in LAPZ expressed doing so for over one year (30 percent); whereas an equal amount in SLATE-Z (South LA) reduced spending

for less than three months as those that adjusted for longer than one year (20%). Furthermore, there are statistically significant differences between the geographies across each of these time frames when comparing the proportion cutting back less than three months and those cutting back longer than one year. With regards to health, education, and entertainment and family activities, residents in LAPZ cut back at a significantly greater rate. To reiterate, these reductions are more entrenched and significant among LAPZ residents, with the largest proportion of people cutting back for longer than one year.

The data further reveal that residents have made the most permanent changes to their consumption habits—with large proportions of the population cutting back for longer than five years—by putting off paying bills and taking on more debt (about 15%) as well as cutting back on food purchases (roughly 15%). In addition, reduced spending on clothing (approximately 8%) and entertainment and family activities (about 8%) have also become more permanent fixtures of resident life due to rising rental costs.

FIGURE 2. Cutbacks made over prior two years, by Promise Zone

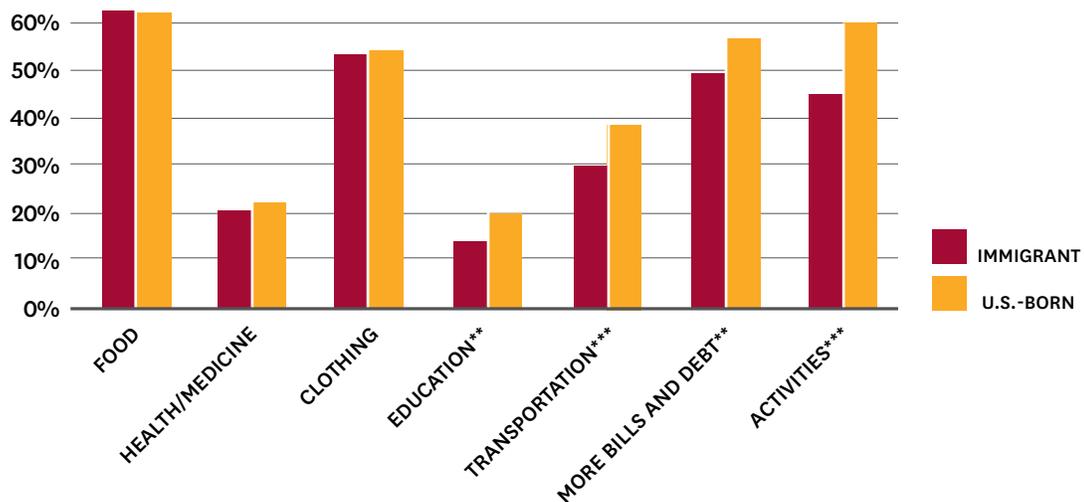


Note: ** and *** indicates a difference statistically significant at the $p < 0.01$ and $p < 0.001$ levels respectively.

As Figure 3 and Table A.2 show, both immigrant and U.S.-born populations have made significant consumption cutbacks. Over half of residents in each population cut back on food, clothing, and entertainment and family activities in the prior two years. Moreover, in both groups, half of residents also put off paying bills and took on more debt as a result. Across all consumption categories, U.S.-born groups report cutting back at a higher rate, though this difference is only significant for health, transportation, and bills and debt, as well as entertainment and family activities. While there are still many cases of residents

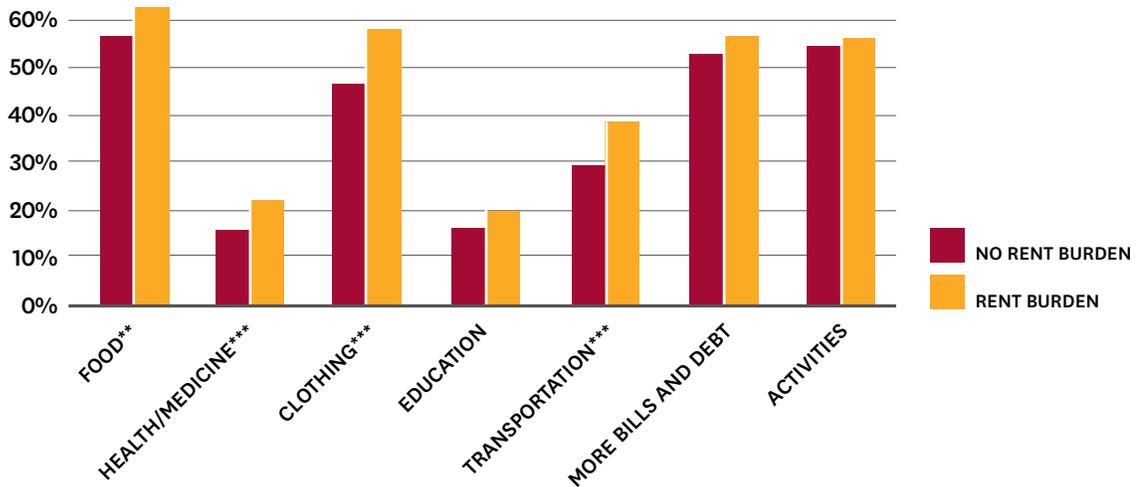
making longer-term cutbacks or adjustments, it appears that many of the differences between U.S.-born and immigrant families can be attributed to relatively recent cutbacks of less than three months. This is illustrated most clearly with transportation, bills and debt, and entertainment and family activities, where the category of less than three months is statistically significant and accounts for a large proportion of the differential between populations. When comparing the proportion of immigrants versus U.S.-born residents making more permanent changes of longer than one year and longer than five years, these figures are largely the same.

FIGURE 3. Cutbacks made over prior two years, by immigrant status



Note: ** and *** indicates a difference statistically significant at the $p < 0.01$ and $p < 0.001$ levels respectively.

FIGURE 4. Cutbacks made over prior two years, by rent burden



Note: ** and *** indicates a difference statistically significant at the $p < 0.01$ and $p < 0.001$ levels respectively.

Moving the comparison to varying degrees of rent burden, a large proportion of renters have made consumption cutbacks in the past two years across many categories (see Figure 4 and Table A.3). More than half of residents have reduced spending on food, clothing, and entertainment and family activities. Despite the widespread nature of these cutbacks, rent-burdened households reduced consumption at a significantly higher rate and have done so for longer durations of time. This is particularly evident with more permanent cutbacks in food, health and medicine, clothing, and entertainment and family activities, where the difference between rent-burdened and non-rent-burdened households was statistically significant at the higher end of the time ranges.

Across the 30% and 50% thresholds, renters appear to be cutting back at similar rates. This suggests that residents are using an array of strategies to survive, and their need to employ these strategies begins as soon as residents reach the rent burden threshold. These

findings suggest that past a certain threshold of rent relative to income, households cannot cut back any further. In further research from this dataset, we will examine other linked variables to understand whether and how behaviors and impacts shift across different rent burden and income thresholds.

Unexpected Expenses

The findings outlined in previous sections illustrate the deep impacts of declining housing affordability in the Los Angeles region. These data reveal the significant extent to which the vast majority of surveyed households are impacted by rising housing costs across the Los Angeles region—even prior to the COVID-19 pandemic. The precarity of this situation is exemplified in how respondents expressed they would cover an unanticipated expense. Residents were asked to select all applicable responses to how they would pay for an unexpected \$400 cost.⁷ This question offers important and unique insight into the household's ability to

⁷ We used the exact wording from question EF3 from the FED's 2017 Survey of Household Economics and Decisionmaking (SHED) <https://www.federalreserve.gov/publications/2018-appendix-a-survey-questionnaire.htm>. The question was: "Suppose that you have any emergency expense that costs \$400. Based on your current financial situation, how would you pay for this expense? If you would use more than one method to cover this expense, please select all that apply. a. Put it on my credit card and pay it off in full at the next statement; b. Put it on my credit card and pay it off over time; c. With the money currently in my checking/savings account or with cash; d. Using money from a bank loan or line of credit; e. By borrowing from a friend or family member; f. Using a payday loan, deposit advance, or overdraft; g. By selling something; h. I wouldn't be able to pay for the expense right now; i. Other (please specify): [text box]"

withstand an unanticipated shock. This is particularly valuable information in light of the pandemic that would unfold just months after data collection concluded.

Respondents signaled that they had few places to turn for help to meet that demand: 20.6% of residents reported that they would be unable to pay for the unanticipated expense, and around 40% would require taking on debt. Participants were hopeful that they could cover unexpected costs themselves or ask family for assistance, with around 60% of respondents selecting this option. However, 27% of respondents predicted they would need to stitch together multiple sources. This speaks to the dispersion of risk and precarity at the community level, which low-income households must navigate. While strong support infrastructure is present

in Los Angeles and people have networks they can turn to in times of need, when entire communities are subject to intense stress this support evaporates quickly as the majority of residents are experiencing similar shocks.

Turning toward the differences noted between groups, respondents reported a greater ability to cover unexpected costs in Central Los Angeles as compared to South Los Angeles—or at least residents have a wider array of options to turn in times of need (Table 5). This is further documented by the proportion of renters that can cover expenses themselves or ask friends, which is significantly less in South Los Angeles. The same holds true for access to debt or financing to pay for these costs, which is again significantly lower in the South.

TABLE 5. How and if respondents can cover an emergency expense of \$400, by Promise Zone

METHODS OF PAYMENT	LAPZ (Central LA)	SLATE-Z (South LA)	Difference
Unable to cover	14.21	26.84	-12.62 ***
Yes, able to cover	85.79	73.16	
Use cash or borrow from family	62.82	56.75	6.07 **
Take on debt - Credit Card, Bank Loan, Payday Lender	42.05	34.50	7.55 ***
Sell something	10.00	9.50	0.50
Multiple	27.18	26.25	0.93
Number	387	395	

Note: * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$ indicates statistical significance.

TABLE 6. How and if respondents can cover an emergency expense of \$400, by immigrant status

METHODS OF PAYMENT	U.S.-Born	Immigrant	Difference
Unable to cover	21.34	18.93	0.41
Yes, able to cover	78.66	81.07	
Use cash or borrow from family	60.44	58.20	2.24
Take on debt - Credit Card, Bank Loan, Payday Lender	6.81	41.39	-4.58
Sell something	9.71	9.84	-0.12
Multiple	26.55	27.00	-0.49
Number	539	243	

Note: No difference is statistically significant.

TABLE 7. How and if respondents can cover an emergency expense of \$400, by rent burden

METHODS OF PAYMENT	No Rent Burden	Rent Burden	Difference 1
Unable to cover	8.06	22.75	-14.69 ***
Yes, able to cover	91.94	77.2	
Use cash or borrow from family	72.34	57.88	14.46 **
Take on debt - Credit Card, Bank Loan, Payday Lender	41.49	39.32	2.17
Sell something	9.04	10.98	-1.94
Multiple	28.19	28.54	-0.35
Number	188	501	

Note: * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$ indicates statistical significance.

Data comparing households where all adults were born outside the U.S. to those where at least one was born in the U.S. reveals no significant difference in the options available to the respondent to cover a \$400 unexpected cost (Table 6). On the other hand, the data raise questions into the efficacy of these supports in times of immense, widespread stress—such as with the COVID pandemic—during which the majority of community members also face unexpected strain.

Finally, examining rent-burdened versus non-rent-burdened households shows that respondents living under housing stress are significantly less able to cover an unexpected \$400 expense (Table 7). These respondents are also less likely to have family or friends to turn to, which reflects the importance of community support networks. Rent-burdened renters appear to be facing similar situations as others in their community and thus have less to give externally. Roughly 39% of rent-burdened households stated that they must take on debt to meet unexpected costs, and 22.8% said that they would be unable to pay.

DISCUSSION

The findings previously described illustrate the multi-faceted and significant pressures facing rent-burdened households in the Los Angeles region. As prior research has suggested, rent-burdened households are making extreme and impactful sacrifices to pay rent; as

housing advocates frequently note, “the rent eats first” (Desmond, 2020). Beyond going without food, rent-burdened households described cutting back on other critical needs, including education, health and medicine, clothing, transportation, and recreation. Importantly, this research also shows how residents have turned to taking on more debt and avoiding paying off bills as a common, additional strategy. These findings also uniquely establish that these coping strategies have become semi-permanent across a broad segment of the population, with many reporting cutting back in these categories for years. This is deeply concerning, as these cutbacks have important implications for short- and long-term welfare of both children and adults, affecting the future opportunities of affected communities at large. The accumulation of daily stress that results from this struggle to meet basic needs and survive is likely to impact physical and mental health. With longer durations of sacrifice, the potential for harm increases, as does the potential for longer-term impacts on life outcomes.

This research also demonstrates the growing pressure to pay rent on households across the board, even those not currently experiencing rent burden. Rent-burdened households were more likely to undertake cutbacks, across both the 30% and 50% threshold alike, and were less likely to be able to withstand an economic shock. However, even non-rent-burdened households have begun to undertake cutbacks in Los Angeles. Yet, when

asked how they would cover unexpected expenses, non-rent-burdened households had greater access to personal, family, or community resources and ability to withstand an economic shock. In contrast, rent-burdened households reported a greater likelihood to not be able to cover the expense, though the differences in likelihood to take on debt was not statistically significant.

Finally, this research does not find significant differences in coping strategies and vulnerability to an economic shock across immigrant and U.S.-born households. However, these findings do not conclusively suggest that meaningful differences do not exist in cutbacks and the impacts of high rents across immigrant and U.S.-born households. Rather, as previously discussed, we find important differences between immigrant and U.S.-born households that shape rent burden and its impacts. Rent burden rates among U.S.-born households appear largely driven by their higher rents, which are at least partially attributable to their greater housing consumption (including higher likelihood to live in single-family homes and have more bedrooms per household member), as well as their greater likelihood to have moved to their current housing within the previous two years. These differences, combined with these findings on consumption differences, suggest that immigrant and U.S.-born households make different housing-related decisions, which creates similar rent burden and cutback-related decisions despite different income levels. Therefore, it appears that our findings on cutbacks are conditional on the crowding and housing choices that immigrant households have already made. These differences also reveal the limitations of the rent burden measure as a lens into housing-related vulnerability more broadly.

CONCLUSION

This paper offers new and important information on the extent of rent burden in Los Angeles, as well as its direct impacts on affected households. To develop these insights, this research relies on a large-scale, door-to-door survey that generates novel insight into these housing affordability dynamics. By gathering these data at the individual, family and household levels, this research is uniquely positioned to view nuanced differences across immigrant and U.S.-born populations.

In recent months, COVID-19 and the related economic recession have created a huge shock at both the population and community levels. This research demonstrates that renters were already in extremely precarious positions before the pandemic began. Our sample is especially useful in this context as it represents those who have been able to hold on and stay up until this point. Specifically, these respondents represent those in precarious positions struggling to stay afloat. Given that respondents reported serious challenges to stay afloat due to the high cost of rent in Los Angeles, these data underscore the need for significant and immediate intervention. The COVID-19 pandemic has ruptured an already incredibly fragile and precarious foundation, which is an unfortunate reality that policymakers and planners must face when designing interventions to support these communities.

In response to rent burden, affected households have been forced to make impactful sacrifices in basic life necessities, from food to family activities, which likely deeply impact their lives. We show that these adjustments have become semi-permanent, as many households are reporting cutting back on many essential goods for years. This evidence suggests that these cutbacks do not just impact severely rent-

burdened households, but rather appear to begin at even the 30% rent burden measure. As a growing majority of households pay such a significant share of their income on rent, this indicates that most Los Angeles renter households are going without basic necessities to afford rent. This finding suggests deep cause for concern, and should motivate further emphasis on reducing housing costs for renters.

While we do not find that immigrant households are significantly more likely to be rent-burdened or make impactful cutbacks than U.S.-born households, evidence suggests that immigrant households are internalizing rent burden differently than U.S.-born households. Indeed, immigrant households were more likely to live in worse quality living conditions, including a greater likelihood of living in more crowded homes, apartments, and lower-cost housing. In contrast, U.S.-born households were equally rent-burdened because they paid higher rents—offset by their relatively higher incomes. These conditions likely place immigrant households in more precarious housing positions with fewer opportunities for further reducing consumption. Through further research from this dataset, we will focus on illuminating these differences by examining additional variables, including analyzing household composition, housing conditions, and support networks. This will allow us to better understand the

extent to which immigrant households face differential impacts from housing cost pressure.

Altogether, these findings establish a concerning baseline into which the pandemic entered, with rent-burdened households in particular already at the brink of not being able to make ends meet. As the pandemic and related economic recession have driven unemployment and economic precarity, there is cause for enormous concern. These findings underscore that a large share of renters were already experiencing significant financial precarity and harm from housing affordability issues and were struggling to afford basic life necessities.

As a result, it is critical to approach the current crisis from a point of understanding that the status quo was already creating significant harm. Therefore, policymaking must aim to address the fundamental and long-standing issues in housing rental markets like Los Angeles. This includes halting evictions for non-payment of rent during the pandemic and expanded rental assistance until the emergency has ended. In addition, local, state and federal policy must support long-term affordability strategies aimed at protecting renters, boosting wages, and expanding the institutional resources available through vouchers, downpayment and security deposit assistance, and affordable housing construction.

This research is made possible through generous funding from the John Randolph Haynes and Dora Haynes Foundation and the USC Lusk Center for Real Estate.

REFERENCES

- Abiad, A., Bluedorn, J., Guajardo, J., & Topalova, P. (2015). The rising resilience of emerging market and developing economies. *World Development*, 72, 1-26.
- Ben-Shahar, D., Gabriel, S., & Golan, R. (2018). Can't get there from here: Affordability distance to a superstar city. *Regional Science and Urban Economics*.
- Benfer, E., Robinson, D. B., Butler, S. Edmonds, L., Gilman, S., et al. (2020, August 7). The COVID-19 eviction crisis: an estimated 30-40 million people in America are at risk. *The Aspen Institute*. Retrieved September 21, 2020 from <https://www.aspeninstitute.org/blog-posts/the-covid-19-eviction-crisis-an-estimated-30-40-million-people-in-america-are-at-risk/>
- Benner, C., & Pastor, M. (2015). *Equity, growth, and community: What the nation can learn from America's metro areas*. Oakland, CA: University of California Press.
- Brennan, M., & Lipman, B. J. (2008). Stretched thin: The impact of rising housing expenses on America's owners and renters. Washington, DC: Center for Housing Policy.
- Cervero, R. (1989). Jobs-housing balancing and regional mobility. *Journal of the American Planning Association*, 55(2), 136-150.
- Cervero, R. (1996). Jobs-housing balance revisited: trends and impacts in the San Francisco Bay Area. *Journal of the American Planning Association*, 62(4), 492-511.
- Cohen, R. (2011). The impacts of affordable housing on health: A research summary. Washington, DC: National Housing Conference and the Center on Housing Policy.
- Damm, A. P. (2009). Ethnic enclaves and immigrant labor market outcomes: Quasi-experimental evidence. *Journal of Labor Economics*, 27(2), 281-314.
- Desmond, M. (2020, August 29). The rent eats first, even during a pandemic. *The New York Times*. Retrieved October 30, 2020 from <https://www.nytimes.com/2020/08/29/opinion/sunday/coronavirus-evictions-superspreader.html>
- Diaz McConnell, E. (2013). Who has housing affordability problems? Disparities in housing cost burden by race, nativity, and legal status in Los Angeles. *Race and social problems*, 5(3), 173-190.
- Díaz McConnell, E. (2016). Rented, Crowded, and Unaffordable? Social Vulnerabilities and the Accumulation of Precarious Housing Conditions in Los Angeles. *Housing Policy Debate*, 1-20.
- Dominguez, S., & Watkins, C. (2003). Creating networks for survival and mobility: Social capital among African-American and Latin-American low-income mothers. *Social problems*, 50(1), 111-135.
- Edin, P. A., Fredriksson, P., & Åslund, O. (2003). Ethnic enclaves and the economic success of immigrants—Evidence from a natural experiment. *The quarterly journal of economics*, 118(1), 329-357.
- Eviction Lab. (2020). Eviction Tracking System. Retrieved September 21, 2020 from <https://evictionlab.org/eviction-tracking/>
- Gabriel, S., & Painter, G. (2018). Why affordability matters. *Regional Science & Urban Economics*, 1-6.

- Gilster, M. E., Booth, J. M., Meier, C. L., & Torres-Cacho, H. R. (2020). Assessing the role of ethnic enclaves in the relationship between neighborhood conditions and participation in neighborhood-focused activism among Latinos in Chicago. *Journal of Human Behavior in the Social Environment*, 30(2), 158-172.
- Glaeser, E., & Gyourko, J. (2018). The economic implications of housing supply. *Journal of Economic Perspectives*, 32(1), 3-30.
- Green, S., & McCargo, A. (2020, May 29). New data suggest COVID-19 is widening housing disparities by race and income. Urban Institute. Retrieved September 21, 2020 from <https://www.urban.org/urban-wire/new-data-suggest-covid-19-widening-housing-disparities-race-and-income>
- Greulich, E., Quigley, J. M., Raphael, S., Tracy, J., & Jasso, G. (2004). The anatomy of rent burdens: Immigration, growth, and rental housing [with comments]. *Brookings-Wharton Papers on Urban Affairs*, 149-205.
- Harkness, J., & Newman, S. (2005). Housing affordability and children's well-being: Evidence from the national survey of America's families. *Housing Policy Debate*, 16(2), 223-255.
- Harvard Joint Center for Housing Studies. (2019). State of the Nation's Housing 2019. https://www.jchs.harvard.edu/sites/default/files/Harvard_JCHS_State_of_the_Nations_Housing_2019.pdf
- Hernández, D., Jiang, Y., Carrión, D., Phillips, D., & Aratani, Y. (2016). Housing hardship and energy insecurity among native-born and immigrant low-income families with children in the United States. *Journal of Children and Poverty*, 22(2), 77-92.
- Hsieh, C. T., & Moretti, E. (2019). Housing constraints and spatial misallocation. *American Economic Journal: Macroeconomics*, 11(2), 1-39.
- Joint Center for Housing Studies of Harvard University. 2020. Cost burdens rise for middle-income households in most metros. <https://www.jchs.harvard.edu/cost-burdens-rise-middle-income-households-most-metros>
- Kang, J. (2019). Do Co-ethnic concentrated neighborhoods protect children with undocumented parents? Focusing on child behavioral functioning. *Social science research*, 81, 132-143.
- Kirkpatrick, S. I., & Tarasuk, V. (2011). Housing circumstances are associated with household food access among low-income urban families. *Journal of urban health*, 88(2), 284-296.
- Kirkpatrick, S. I., & Tarasuk, V. (2007). Adequacy of food spending is related to housing expenditures among lower-income Canadian households. *Public health nutrition*, 10(12), 1464-1473.
- Lopoo, L., & London, A. (2016). Household Crowding During Childhood and Long-Term Education Outcomes. *Demography*, 53(3), 699-721.
- Mason, K., Baker, E., Blakely, T., & Bentley, R. (2013). Housing affordability and mental health: Does the relationship differ for renters and home purchasers? *Social science & medicine*, 94, 91-97.
- Meltzer, R., & Schwartz, A. (2016). Housing affordability and health: evidence from New York City. *Housing Policy Debate*, 26(1), 80-104.

- Mueller, E., & Tighe, J. (2007). Making the case for affordable housing: Connecting housing with health and education outcomes. *CPL bibliography*, 21(4), 371-385.
- Newman, S., & Holupka, C. (2015). Housing affordability and child well-being. *Housing Policy Debate*, 25(1), 116-151.
- Newman, S., & Holupka, C. (2016). Housing Affordability And Children's Cognitive Achievement. *Health Affairs*, 35(11), 2092-2099.
- Padilla, A., Cervantes, R., Maldonado, M., & Garcia, R. (1988). Coping responses to psychosocial stressors among Mexican and Central American immigrants. *Journal of community Psychology*, 16(4), 418-427.
- Pattillo, M. (2013). *Black picket fences: Privilege and peril among the Black middle class*. University of Chicago Press.
- Pollack, C. E., Griffin, B. A., & Lynch, J. (2010). Housing affordability and health among homeowners and renters. *American journal of preventive medicine*, 39(6), 515-521.
- Salerno, S., & Reynolds, J. R. (2017). Latina/o students in majority White schools: How school ethnic enclaves link ethnicity with success. *Sociology of Race and Ethnicity*, 3(1), 113-125.
- Stanton-Salazar, R., & Dornbusch, S. (1995). Social capital and the reproduction of inequality: Information networks among Mexican-origin high school students. *Sociology of education*, 116-135.
- Sultana, S. (2002). Job/housing imbalance and commuting time in the Atlanta metropolitan area: exploration of causes of longer commuting time. *Urban Geography*, 23(8), 728-749.
- Telles, E. & Ortiz, V. (2008). *Generations of exclusion: Mexican-Americans, assimilation, and race*. Russell Sage Foundation.
- Turner, M. A. (2009). Promoting neighborhood diversity: Benefits, barriers, and strategies. The Urban Institute.
- Vallejo, J. & Lee, J. (2009). Brown picket fences: The immigrant narrative and 'giving back' among the Mexican-origin middle class. *Ethnicities*, 9(1), 5-31.
- Vallejo, J. (2012A). *Barrios to burbs: The making of the Mexican American middle class*. Stanford University Press.
- Vallejo, J. (2012B). Socially mobile Mexican Americans and the minority culture of mobility. *American Behavioral Scientist*, 56(5), 666-681.
- Williams, A. D., Messer, L. C., Kanner, J., Ha, S., Grantz, K. L., & Mendola, P. (2020). Ethnic Enclaves and Pregnancy and Behavior Outcomes Among Asian/Pacific Islanders in the USA. *Journal of racial and ethnic health disparities*, 7(2), 224-233.
- Zuk, M., & Chapple, K. (2020). Mapping Neighborhood Change and Gentrification in Southern California. The Urban Displacement Project. <https://www.urbandisplacement.org/map/social>

APPENDIX

Table A.1a Type & duration of consumption cutbacks, by Promise Zone

SURVIVAL STRATEGIES	LAPZ (Central LA)	SLATE-Z (South LA)	Difference
Food			
No cut-back in past 2 years	37.04%	37.95%	
Yes, cut-back in past 2 years	62.96%	62.05%	-0.91%
Less than 3 months	12.03%	19.95%	7.92% ***
Between 3 months and 6 months	10.16%	9.33%	-0.83%
Between 6 months and 1 year	9.89%	10.88%	0.99%
1 - 5 years	20.05%	12.69%	-7.36% ***
More than 5 years	10.43%	8.81%	-1.62%
Health & Medicine			
No cut-back in past 2 years	72.75%	83.85%	
Yes, cut-back in past 2 years	27.25%	16.15%	-11.09% ***
Less than 3 months	5.71%	3.64%	-2.07%
Between 3 months and 6 months	2.99%	1.30%	-1.69% *
Between 6 months and 1 year	4.62%	3.12%	-1.50%
1 - 5 years	9.24%	4.68%	-4.56% ***
More than 5 years	2.72%	2.34%	-0.38%
Clothing			
No cut-back in past 2 years	44.18%	45.90%	
Yes, cut-back in past 2 years	55.82%	54.10%	-1.72%
Less than 3 months	8.47%	9.76%	1.29%
Between 3 months and 6 months	7.92%	8.18%	0.26%
Between 6 months and 1 year	10.38%	11.61%	1.23%
1 - 5 years	17.76%	17.15%	-0.61%
More than 5 years	9.84%	6.07%	-3.77%**
Education			
No cut-back in past 2 years	78.04%	84.36%	
Yes, cut-back in past 2 years	21.96%	15.64%	-6.32%***
Less than 3 months	2.40%	1.82%	-0.58%
Between 3 months and 6 months	2.13%	2.86%	0.72%
Between 6 months and 1 year	4.80%	2.60%	-2.20% *
1 - 5 years	8.00%	4.42%	-3.58% ***
More than 5 years	4.00%	2.86%	-1.14%
Transportation			
No cut-back in past 2 years	62.43%	64.87%	
Yes, cut-back in past 2 years	37.57%	35.13%	-2.44%
Less than 3 months	5.14%	5.76%	0.62%
Between 3 months and 6 months	6.76%	7.07%	0.31%
Between 6 months and 1 year	7.30%	7.33%	0.03%
1 - 5 years	12.16%	9.69%	-2.48%
More than 5 years	4.86%	3.93%	-0.94%

Table A.1b Type & duration of consumption cutbacks, by Promise Zone

SURVIVAL STRATEGIES	LAPZ (Central LA)	SLATE-Z (South LA)	Difference
Bills & Debt			
No cut-back in past 2 years	46.56%	44.36%	
Yes, cut-back in past 2 years	53.44%	55.64%	2.20%
Less than 3 months	4.57%	7.05%	2.48% *
Between 3 months and 6 months	6.45%	9.14%	2.69%
Between 6 months and 1 year	7.53%	7.31%	-0.22%
1 - 5 years	12.10%	9.40%	-2.70%
More than 5 years	14.78%	15.40%	0.62%
Entertainment and Family Activities			
No cut-back in past 2 years	40.21%	46.67%	
Yes, cut-back in past 2 years	59.79%	53.33%	-6.46% ***
Less than 3 months	10.93%	12.14%	1.21%
Between 3 months and 6 months	10.40%	8.53%	-1.87%
Between 6 months and 1 year	10.40%	11.63%	1.23%
1 - 5 years	18.67%	14.73%	-3.94%
More than 5 years	9.07%	5.94%	-3.12% *

Note: * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$ indicates statistical significance.²⁸

TABLE A.2a Type & duration of consumption cutbacks, by immigrant status

SURVIVAL STRATEGIES	Immigrant	U.S.-Born	Difference
Food			
No cut-back in past 2 years	37.29%	37.59%	
Yes, cut-back in past 2 years	62.71%	62.41%	0.31%
Less than 3 months	14.53%	16.73%	-2.20%
Between 3 months and 6 months	10.68%	9.32%	1.37%
Between 6 months and 1 year	11.97%	9.70%	2.27%
1 - 5 years	15.81%	16.54%	-0.73%
More than 5 years	9.40%	9.70%	-0.29%
Health & Medicine			
No cut-back in past 2 years	79.66%	77.82%	
Yes, cut-back in past 2 years	20.34%	22.18%	-1.84%
Less than 3 months	3.86%	5.00%	-1.14%
Between 3 months and 6 months	1.72%	2.31%	-0.59%
Between 6 months and 1 year	3.00%	4.23%	-1.23%
1 - 5 years	7.73%	6.54%	1.19%
More than 5 years	3.00%	2.31%	0.70%
Clothing			
No cut-back in past 2 years	45.76%	44.74%	
Yes, cut-back in past 2 years	54.24%	55.26%	-1.03%
Less than 3 months	8.09%	9.61%	-1.52%
Between 3 months and 6 months	7.66%	8.24%	-0.58%
Between 6 months and 1 year	11.06%	10.98%	0.08%
1 - 5 years	18.30%	17.06%	1.24%
More than 5 years	8.94%	7.45%	1.49%
Education			
No cut-back in past 2 years	85.17%	79.51%	
Yes, cut-back in past 2 years	14.83%	20.49%	-5.66% **
Less than 3 months	1.28%	2.47%	-1.19%
Between 3 months and 6 months	1.71%	2.85%	-1.14%
Between 6 months and 1 year	1.28%	4.75%	-3.47% ***
1 - 5 years	7.26%	5.70%	1.56%
More than 5 years	2.56%	3.80%	-1.24%
Transportation			
No cut-back in past 2 years	70.34%	60.71%	
Yes, cut-back in past 2 years	29.66%	39.29%	-9.62%
Less than 3 months	3.45%	6.35%	-2.90% *
Between 3 months and 6 months	6.03%	7.31%	-1.27%
Between 6 months and 1 year	6.47%	7.69%	-1.23%
1 - 5 years	10.34%	11.15%	-0.81%
More than 5 years	2.16%	5.38%	-3.23% ***

TABLE A.2b Type & duration of consumption cutbacks, by immigrant status

SURVIVAL STRATEGIES	Immigrant	U.S.-Born	Difference
<i>Bills & Debt</i>			
No cut-back in past 2 years	50.00%	43.42%	
Yes, cut-back in past 2 years	50.00%	56.58%	-6.58% **
Less than 3 months	3.86%	6.70%	-2.84% *
Between 3 months and 6 months	7.73%	7.85%	-0.13%
Between 6 months and 1 year	6.87%	7.66%	-0.80%
1 - 5 years	12.02%	10.15%	1.86%
More than 5 years	13.30%	15.90%	-2.60%
<i>Entertainment and Family Activities</i>			
No cut-back in past 2 years	52.97%	39.29%	
Yes, cut-back in past 2 years	47.03%	60.71%	-13.68% ***
Less than 3 months	7.63%	13.31%	-5.68% ***
Between 3 months and 6 months	7.63%	10.27%	-2.64%
Between 6 months and 1 year	8.90%	11.98%	-3.08%
1 - 5 years	15.68%	17.11%	-1.43%
More than 5 years	7.20%	7.60%	-0.40%
Number	236	532	

Note: $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$ indicates statistical significance

TABLE A.3a Type & duration of consumption cutbacks, by rent burden

SURVIVAL STRATEGIES	No Rent Burden	30% Rent Burden	50% Severe Rent Burden	Difference 1 [No-30%]	Difference 2 [No - 50%]
Food					
No cut-back in past 2 years	43.41%	35.98%	34.25%		
Yes, cut-back in past 2 years	56.59%	64.02%	65.75%	7.43% **	9.16% ***
Less than 3 months	13.81%	16.60%	16.72%	2.79%	2.91%
Between 3 months and 6 months	8.29%	10.25%	8.67%	1.96%	0.38%
Between 6 months and 1 year	12.15%	10.25%	10.84%	-1.91%	-1.32%
1 - 5 years	11.60%	17.62%	18.89%	6.02% **	7.28% ***
More than 5 years	10.50%	9.02%	10.22%	-1.48%	-0.28%
Health & Medicine					
No cut-back in past 2 years	83.52%	76.42%	76.76%		
Yes, cut-back in past 2 years	16.48%	23.58%	23.24%	7.09% ***	6.76% **
Less than 3 months	4.44%	4.76%	4.97%	0.32%	0.52%
Between 3 months and 6 months	2.22%	1.86%	1.55%	-0.36%	-0.67%
Between 6 months and 1 year	2.78%	4.76%	3.73%	1.98%	0.95%
1 - 5 years	4.44%	8.07%	8.07%	3.63% *	3.63% *
More than 5 years	1.67%	2.69%	3.73%	1.02%	2.06%
Clothing					
No cut-back in past 2 years	53.30%	41.87%	42.81%		
Yes, cut-back in past 2 years	46.70%	58.13%	57.19%	11.43% ***	10.48% ***
Less than 3 months	10.67%	8.82%	8.20%	-1.85%	-2.47%
Between 3 months and 6 months	5.62%	8.82%	7.57%	3.21%	1.95%
Between 6 months and 1 year	11.80%	11.34%	10.09%	-0.45%	-1.70%
1 - 5 years	10.11%	19.54%	21.45%	9.43% ***	11.34% ***
More than 5 years	7.30%	8.19%	8.52%	0.89%	1.21%
Education					
No cut-back in past 2 years	84.07%	79.27%	79.82%		
Yes, cut-back in past 2 years	15.93%	20.73%	20.18%	4.80%	4.25%
Less than 3 months	2.76%	2.26%	3.08%	-0.50%	0.31%
Between 3 months and 6 months	1.10%	2.87%	2.15%	1.77%	1.05%
Between 6 months and 1 year	3.31%	3.70%	3.69%	0.38%	0.38%
1 - 5 years	4.97%	7.60%	7.38%	2.63%	2.41%
More than 5 years	3.31%	3.49%	3.38%	0.18%	0.07%
Transportation					
No cut-back in past 2 years	70.88%	60.98%	59.63%		
Yes, cut-back in past 2 years	29.12%	39.02%	40.37%	9.90%***	11.25%***
Less than 3 months	4.49%	6.19%	6.52%	1.69%	2.03%
Between 3 months and 6 months	5.06%	7.84%	6.83%	2.78%	1.78%
Between 6 months and 1 year	4.49%	8.45%	8.70%	3.96%**	4.20%**
1 - 5 years	8.99%	11.13%	12.11%	2.15%	3.12%
More than 5 years	4.49%	4.54%	5.28%	0.04%	0.79%

TABLE A.3b Type & duration of consumption cutbacks, by rent burden

SURVIVAL STRATEGIES	No Rent Burden	30% Rent Burden	50% Severe Rent Burden	Difference 1 [No-30%]	Difference 2 [No - 50%]
Bills & Debt					
No cut-back in past 2 years	46.70%	43.90%	42.51%		
Yes, cut-back in past 2 years	53.30%	56.10%	57.49%	4.20%	
Less than 3 months	6.63%	5.60%	5.90%	-1.03%	-0.73%
Between 3 months and 6 months	8.84%	8.09%	9.32%	-0.75%	0.48%
Between 6 months and 1 year	7.18%	7.26%	7.45%	0.08%	0.27%
1 - 5 years	12.15%	10.37%	9.01%	-1.78%	-3.15%
More than 5 years	13.26%	16.39%	16.77%	3.13%	3.51%
Family & Fun					
No cut-back in past 2 years	44.51%	43.50%	45.57%		
Yes, cut-back in past 2 years	55.49%	56.50%	54.43%	1.01%	-1.06%
Less than 3 months	14.84%	10.43%	9.51%	-4.41%*	-5.33%**
Between 3 months and 6 months	9.34%	9.82%	9.82%	0.48%	0.48%
Between 6 months and 1 year	13.19%	9.61%	7.06%	-3.58%	-6.13%
1 - 5 years	14.29%	17.38%	19.02%	3.10%	4.73%
More than 5 years	3.85%	9.00%	8.90%	5.15%***	5.05%***
Number	182	492			