

Proposed Housing Mobility Demonstration Fact Sheet

May 2018

The Housing Choice Voucher (HCV) Program has the potential to provide low-income families with children opportunity to access safe neighborhoods with high quality schools. In practice, however, families who participate in the program often remain in high-poverty areas, for a variety of reasons. The proposed Housing Choice Voucher Mobility Demonstration, currently moving through Congress, provides incentives to Public Housing Agencies (PHAs) to help thousands of families voluntarily move to high opportunity communities. The House Transportation-HUD appropriations bill includes \$50 million for the demonstration: \$30 million for housing mobility services and \$20 million for new vouchers for families with children.

Why Do We Need A Housing Mobility Demonstration?

PHAs have limited resources and incentives to help families access neighborhoods that traditionally have been out of reach. The demonstration program will help PHAs to plan and implement a housing mobility program that aims to help families with children access higher opportunity areas. An evaluation component has also been included, which will help us learn which interventions are most cost effective and beneficial to families.

A growing body of evidence shows that children who move to low-poverty areas do better in the long-term. As noted in the funding bill report issued by the House Appropriations Committee, “Low-income families, including voucher holders, tend to be concentrated in high-poverty neighborhoods where schools are under-resourced, transportation is limited, and well-paying jobs are scarce. This demonstration will harness the power of the housing choice voucher platform to help families with children seek housing and successfully move to privately-owned units in lower-poverty areas. A growing body of research finds that when families move to higher opportunity areas with less poverty, more jobs, and quality schools, their children experience significant earnings and educational attainment improvements that persist into adulthood. The persistence of the improved outcomes for children is remarkable and gives hope that family mobility could hold the key to arresting generational poverty in families served by HUD.”

Funding for Services

Public housing agencies (PHAs) need additional resources to offer robust services to help families access communities of opportunity. The House appropriations bill includes \$30 million for services, which would allow selected PHAs and their partners to work together to develop and operate a housing mobility program. Services provided to families might include:

- Inform families of the advantages of opportunity areas and the wide area where vouchers can be used
- Identify barriers, at an individual level, that need to be overcome to facilitate a move to an opportunity area, including financial coaching
- Housing search assistance to work with the family to find an affordable unit that meets their individual needs
- Landlord outreach to recruit more to participate
- Post-move services, such as regular check-ins, resource coordination and landlord/tenant mediation to help retain families in areas of opportunity

Funding for Vouchers

The House appropriations bill also provides \$20 million for new vouchers for families with children who participate in the demonstration. This would fund about 2,000 new vouchers, which would boost incentives for PHAs to undertake the substantial planning needed to meet the demonstration's goals.

The demonstration also allows participating agencies to use voucher funding for security deposits in designated opportunity areas. The lack of funds for security deposits is a significant barrier for poor families to move to higher-opportunity areas where landlords often require large deposits.

What is the Process Moving Forward

This proposal, which has bipartisan and bicameral support, is moving on two separate, but related tracks. The demonstration has already been:

- Approved by the full House Financial Services Committee in HR 5793
- Approved by the full House Appropriations Committee in its FY 2019 Transportation - HUD bill
- Introduced in the Senate by Senators Young and Van Hollen, S. 2945

The full House likely will approve both the authorizing and appropriations bills in the near future. The Senate appropriations committee will consider its HUD funding bill the first week in June. Final action by Congress may not occur until the end of 2018, and possibly later.

If Enacted, What is the Selection and Award Process?

If enacted, HUD would select PHAs to participate in the demonstration through a competitive process. HUD must prioritize regional collaborations that have high concentrations of voucher holders in low-opportunity neighborhoods, a high-performing Family Self-Sufficiency (FSS) program and a commitment to allow families in the demonstration to maintain FSS participation, or a strong regional collaboration including one or more small housing agencies, among other factors. Selected PHAs would coordinate amongst their agencies and other service providers in the region to:

- Identify low-poverty areas and analyze access barriers for voucher holders
- Determine what information, services and resources families need to access high opportunity areas
- Develop a plan to recruit families and landlords for participation in the program
- Create educational materials, including maps of the region, transportation options, educational resources so families better understand the full housing market
- Collaborate to make it easier for a family to move from one jurisdiction to another
- Modify policies such as payment standards and search time, as needed, to facilitate moves to opportunity areas
- Enhance the quality of the housing choice voucher program generally, so more landlords are willing to participate

If funding for the demonstration is included in a final fiscal year 2019 appropriations bill, HUD would issue a Notice of Funding Availability, likely up to six months later. PHAs would then apply for the funding. We would not expect HUD to make awards before the third quarter of calendar 2019.