

February 12, 2010

Shaun Donovan, Secretary of Housing & Urban Development
U.S. Department of Housing & Urban Development
451 7th Street S.W.
Washington, DC 20410

Re: The importance of housing choice, regional voucher administration and strong mobility counseling programs in the “Transforming Rental Assistance” program

Dear Secretary Donovan,

We are writing to convey our strong support for the “Transforming Rental Assistance” (TRA) program in the HUD 2011 budget and to urge you to ensure that the program is implemented in a way that gives HUD tenants the ability to move to high opportunity areas throughout their metropolitan areas. This innovative program, if implemented well, has the potential to stem the continuing loss of public housing and other assisted units, and at the same time open up new choices for public and assisted housing residents.

For the TRA program to succeed in creating new choices for residents, it is not enough to simply give families an option to move. Without hands-on assistance, many families will be steered into segregated Section 8 submarkets. Families need to be shown actual apartments in low poverty communities with high quality schools. They need information about those communities. In some cases, they need preparation to be able to navigate the private rental market successfully. In short, they need the kind of high quality mobility counseling that is offered in places like Baltimore, Yonkers, and Dallas – programs that seek to achieve low poverty and desegregated performance objectives and have an array of services – including active landlord recruitment, security deposit assistance, and post-move counseling to ensure that families make (and retain) a successful move.

As HUD is aware, in many metropolitan areas, there are also serious structural barriers to housing choice in the voucher program, caused by the presence of multiple Section 8 programs. These arcane portability, inspection and billing systems, compounded by PHA relationships with local landlords, continue to be a serious barrier to fair housing choice. The fact that the Transforming Rental Assistance program seeks to create incentives for PHAs to voluntarily combine forces and work together in regional collaboratives is very promising, and in the long run could be the most transformative aspect of this new program.

Section 8 rent structures will also need to be addressed for this program to succeed in offering real choice. In many metro areas, a large majority of rental units in safer neighborhoods with better schools are above the regional Fair Market Rent and thus off limits to Section 8 families. Of course, this is not surprising when one understands how

regional FMRs are set. Until HUD addresses the discriminatory system for setting FMRs, and also opens up the process for obtaining exception rents in higher opportunity areas, choices will continue to be limited to lower income, more racially segregated communities and neighborhoods.

To avoid reconcentration of low income families in moderate poverty, inner suburban neighborhoods, it is also important to geographically target the landlord outreach process to ensure the maximum number of units for families in truly high opportunity communities. And to incentivize PHAs to facilitate better locational outcomes, not merely aspirations, PHAs should receive an Administrative Fee bonus tied to the number of TRA related vouchers actually used in high opportunity areas, and conversely a SEMAP penalty if the pattern of usage mirrors existing patterns of HCV concentration.

Finally, the new program should include enforceable rights, and funding for fair housing testing and enforcement, to ensure that residents who choose to exercise their mobility rights are not restricted in their mobility rights by recalcitrant PHAs, or discrimination in the private rental market. To strengthen these protections, HUD should work with Congress to restore funding for the Fair Housing Initiatives Program to at least the 2010 level. HUD should also work with Congress to protect voucher families by prohibiting source of income discrimination in rental housing, and should consider prioritizing TRA program grants for jurisdictions and states that have adopted laws prohibiting discrimination against Housing Choice Voucher holders.

Thank you for the opportunity to present these comments. As fair housing and civil rights organizations, we strongly support this new initiative, and we urge HUD to ensure that it includes the program features necessary to make it a success.

Sincerely,

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