

PRRAC

Poverty & Race Research Action Council

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Continuing Barriers to Housing Choice and Integration In HUD's Section 8 Voucher Program

Introduction to Mike Hanley's presentation at HUD on *Mapping the "Picture of Subsidized Households" To Further Fair Housing*,* December 14, 2010

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One of our organization's consistent themes has been that the "Affirmatively Furthering Fair Housing" obligation is not just something that applies to Public Housing Agencies and entitlement jurisdictions – it also applies to every HUD housing program. In fair housing, as in other policy areas, the "devil is in the details": every new regulation, NOFA, and HUD guidance has the potential to either promote racial and economic integration or reinforce segregation. And too often in the past, HUD program rules have followed the path of least resistance and frankly, given us more segregation.

That is why many of us in the fair housing community are so excited about what HUD is now trying to do to promote fair housing and residential integration. This is what we all agreed to do back in 1968, when the Fair Housing Act was passed. After the Nixon Administration abandoned early efforts at regional housing opportunity, we started to implement this commitment again in the Carter administration, and then again in the Clinton administration under secretaries Cisneros and Cuomo. Fair housing is not a partisan issue, however, and it should not be something we put back in a file folder every time we have a change of administrations. It is also not an obligation that rests solely in FHEO – it is a priority that should be embedded in every division of HUD.

I met our speaker Mike Hanley quite a few years ago – we were both active in the Housing Justice Network, a coalition of legal services and civil rights lawyers who work on federal housing program issues on behalf of low income clients. Mike was litigating one of the important early regional housing segregation cases in Buffalo (*Comer v. Kemp*) and I was doing similar work in Hartford, New Haven, and Bridgeport. Through this work we both came to understand the potentially transformative fair housing potential of the Section 8 voucher program after Congress permitted regional voucher mobility in the late 1980s. But we also came to understand the restrictions and incentives imposed by HUD on the program that have kept Section 8 from achieving its true potential. These restrictions continue to this day, and we applaud HUD for its efforts to finally open up the program.

* Maps and commentary to be included in forthcoming PRRAC report, early 2011.

Some of the continuing segregation incentives in the voucher program include:

1. The system HUD originally developed for setting fair market rents has long been recognized as the most segregative feature of the voucher program, with a built-in steering mechanism that sends voucher families to lower rent, segregated areas, often in the centers of metropolitan areas, and denying access to higher opportunity areas where there are significant numbers of available rental units.
2. The “portability” rules that HUD cobbled together in the early 1990s to respond to the statutory change in the voucher program have never worked, and create obstacles for voucher families who want to move, and disincentives for PHA staff to help families move.
3. The current administrative fee system provides strong disincentives to PHAs to help families make desegregative moves. It takes more time to help a family move to an area where landlords are less likely to be familiar with the program, and there is no additional administrative fee for this extra effort. If they are successful in helping the family move outside the jurisdiction, the PHA loses at least 4/5 of the administrative fee when the family moves (and may also lose renewal funding for a portion of the value of the voucher if the receiving community “absorbs” the voucher and there is a delay in reissuing it).
4. The current PHA Section 8 assessment system (called SEMAP) gives PHAs virtually no credit for helping families move to less racially isolated, higher opportunity areas; and if the families move across PHA borders to a lower poverty community, they are not counted at all.
5. Limits on search time for voucher holders make it harder for families looking in harder to rent areas. While HUD improved its rules to eliminate the federally imposed time limit, most agencies still impose strict limits and HUD has provided no guidance on the need to extend search periods to promote housing mobility.
6. HUD still permits voucher application and waitlist procedures that have a foreseeable discriminatory effect in many jurisdictions, including first-come first-served waitlist policies, in-person applications, and local residency preferences.
7. There is no explicit mandate or funding for housing mobility counseling – or even for housing search assistance that is affirmatively designed to introduce families to a wider range of neighborhoods. In contrast, too often PHA voucher program marketing is controlled by local landlords active in Section 8 submarkets.
8. HUD’s Housing Quality Standards for the voucher program are focused on the physical unit, not the surrounding neighborhood. This needs to be clarified so that PHAs are not placing children in neighborhoods that are seriously harmful to their health.
9. Finally – and this is part of what Mike’s presentation will also get into – there is a substantial component of both racially-patterned source of income discrimination and also direct race discrimination affecting Section 8 voucher families, and neither the PHA community nor HUD funded fair housing groups are really set up to deal with this.

We know that HUD is looking at all of these program features in their efforts to build a more opportunity-driven program – and we hope that this presentation will give you a few more ideas and tools to move this important fair housing work forward.