

## Do Landlords Accept Housing Choice Vouchers?

Findings from Philadelphia, Pennsylvania

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67%

of landlords in Philadelphia refused to accept vouchers overall

83%

of landlords in Philadelphia low-poverty neighborhoods refused to accept vouchers

We conducted 422 voucher acceptance tests in Philadelphia.

Philadelphia had a 27 percent difference in denial rates between high- and low-poverty neighborhoods—this was the highest gap in our study.

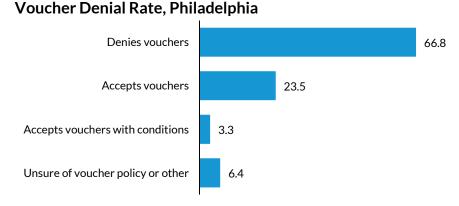
The Housing Choice Voucher program's main goals are to provide low-income households with stable, affordable housing and to improve access to a wide range of neighborhoods. In theory, voucher holders can move anywhere they can find an affordable home; in practice, their choices also depend on finding landlords who accept vouchers. Our five-city study found that finding voucher-affordable housing and landlords that say yes to a voucher can be extremely challenging.

**Voucher-acceptance tests.** In Philadelphia and Washington, DC, we first found rental ads that met voucher requirements and then asked landlords if they accepted vouchers. In three other cities, we also tracked landlord interactions with matched pairs of testers (one with a voucher, one without) in phone and in-person tests.

Many Philadelphia landlords refuse to accept vouchers. About 67 percent of Philadelphia landlords refused to accept vouchers. An additional 10 percent placed conditions on voucher use or were unsure of their voucher policy. Denials were even more common in low-poverty areas (with poverty rates below 10 percent) compared with high-poverty areas (poverty rates above 30 percent): the denial rate was 82.5 percent in low-poverty areas compared with 55.3 percent in high-poverty areas.

Finding rental housing is challenging for voucher holders. Our study shows that finding housing with a voucher is extremely difficult, from identifying an available unit and reaching landlords to finding landlords willing to accept vouchers to meeting with landlords to view available housing. Though challenging, we needed to screen fewer ads in Philadelphia compared with other sites—10,000 ads to complete 422 tests, or about 24 ads per test.

FIGURE 1



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## PHILADELPHIA TEST SITE

Voucher testing took place in the city of Philadelphia and in Bucks County, Pennsylvania. Together, they consist of 738 square miles and house approximately 2.2 million people. In 2015, the rental vacancy rate was 7.4 percent for Philadelphia County and 6.4 percent for Bucks County. The city of Philadelphia has source of income protections for voucher holders, but Bucks County does not.

Testers posed as voucher holders from two public housing authorities, which were authorized to administer over 23,000 vouchers in 2016:

- Philadelphia Housing Authority (PHA)
- Bucks County Housing Authority (BCHA)

Recently, PHA began varying their voucher payments by neighborhood; during our testing period, however, there was only one regional payment standard.

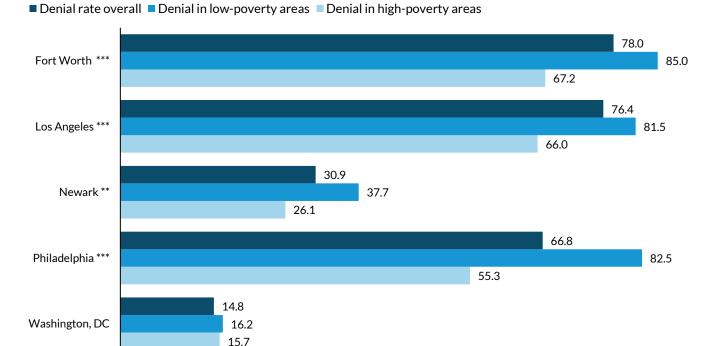
## STUDY INFORMATION

This fact sheet pulls from the Urban Institute's pilot study, A Pilot Study of Landlord Acceptance of Housing Choice Vouchers, sponsored by the US Department of Housing and Urban Development. This pilot study uses rigorous paired testing methodology to explore landlord treatment of Housing Choice Voucher (HCV) holders during the initial stages of the housing search process. It is the first study to use paired testing methods across multiple sites to examine landlord treatment of HCV holders. Most of the testing occurred in 2016.

urbn.is/2MnYitw

FIGURE 2

## Voucher Denial Rates by Site and Low- and High-Poverty Areas



**Note:** Significance tests measured the difference in denial rates in low-poverty tracts compared with denial rates in high-poverty tracts. p < 0.05, \*\*\* p < 0.01.

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