



Why Housing Choice and Mobility Matter

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HUD's proposal for transforming federal rental assistance program expands subsidy recipients' freedom to choose where to live. Today, low-income households living in public housing and in federally assisted projects lose their subsidies if they move. These programs tie rental assistance to particular housing units, and qualifying families must remain in place or forgo the housing assistance.¹ Typically, the waiting lists for these projects are long, so households have a very strong incentive to stay once they've gained admission.

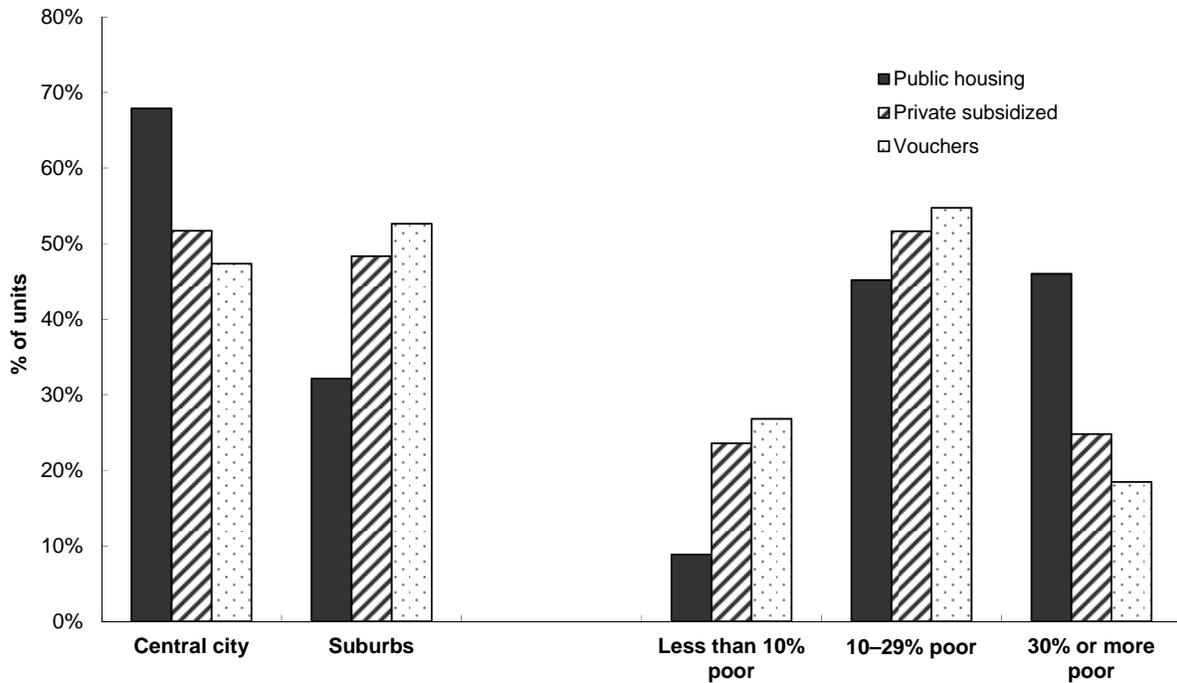
The proposed Preservation, Enhancement, and Transformation of Rental Assistance Act of 2010 (PETRA) would allow residents of subsidized projects to move—with a portable housing voucher—after living in the project for at least two years. The vacated housing unit would still be subsidized, opening up an opportunity for another low-income family from the waiting list. And the voucher for the departing household would be drawn from the locality's available pool of "turn over" vouchers.² So the administration's proposal leaves the total number of subsidized housing units and the number of assisted households unchanged. What's new is that all households receiving assistance would have more choices about where to use their assistance. Allowing all federally subsidized renters the freedom to choose where to live can contribute to better outcomes for families.

This essay summarizes research evidence showing that

- project-based programs limit families' choices about where to live,
- families benefit when they move with vouchers,
- assisted housing mobility programs further expand families' options, and
- "opportunity moves" can improve families' life chances.

Project-based programs limit families' choices about where to live. Both public housing and federally assisted housing projects are clustered in low-income, central-city neighborhoods, while vouchers give low-income households access to a wider range of locations (figure 1). Public housing is the most geographically concentrated of the federally subsidized rental housing options; over two-thirds of the public housing units in the top 100 metropolitan areas nationwide are in central cities, and almost half are in neighborhoods with high poverty rates.³ Federally subsidized projects that are privately owned are somewhat more widely dispersed. Just over half the units located in the top 100 metropolitan areas are in central cities and a quarter are in high-poverty neighborhoods. However, most suburban units are designed to serve elderly residents, not families with children.

Figure 1. Location of Assisted Housing Units



Source: Preliminary UI tabulations of data from HUD's 2008 Picture of Subsidized Housing.

Voucher recipients live in a much wider range of neighborhoods, including suburban and low-poverty communities. As of 2008, slightly less than 50 percent of voucher holders in the top 100 metropolitan areas lived in central cities, and 18 percent lived in high-poverty neighborhoods. Moreover, while only 9 percent of public housing units are located in low-poverty neighborhoods, 27 percent of voucher holders live in such communities.

The voucher program has the potential to expand families' choices about where to live even further. Based on analysis of 2000 Census data, HUD estimates that almost all census tracts in the 50 biggest metropolitan areas nationwide have at least some rental housing units affordable for housing voucher recipients. And 83 percent are home to at least one voucher household (Devine et al 2003).

Families benefit when they move with vouchers. Families that have used vouchers to

In 2001, Gwendolyn, a single mother with two sons, left the Madden/Wells project in Chicago after living there for many years (Popkin and Buron 2010). She knew it wasn't a good place to raise children, but she was comfortable there and didn't know where else she could afford to live. She complained that her apartment was falling apart and the housing authority never made requested repairs:

"I like [my] apartment, the fact that it's up on the 11th. [floor]. What I don't like about the apartment is that they won't come up and fix things the way they should ... like the plumbing, the electricity, and the wiring in the walls. It's all like falling apart.... Sometimes the tub backs up and the toilet stops up...."

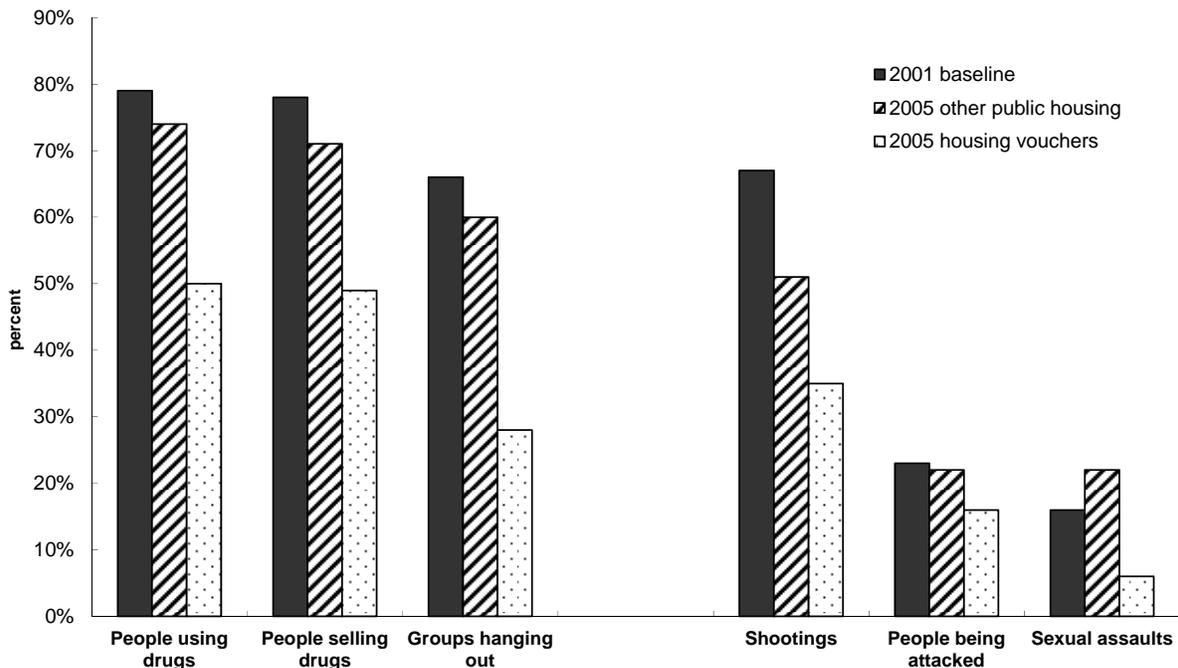
Gwendolyn was among the first residents to relocate from Madden/Wells after redevelopment began. She chose a Housing Choice Voucher and, by her own account, was both "scared and excited." She has moved three times since. For a time, she lived in a low-poverty, low-crime neighborhood on Chicago's Southwest Side, but most recently, she opted to move further east to a higher-crime area to be closer to her sons' school. She was able to rent a small house and says she has no desire to move back to a public housing development, even now that it's been redeveloped. She feels at home in her house—and has a landlord who fixes things when they are broken:

"I feel comfortable here. I'm happy.... I wanted to make sure the house wasn't in foreclosure, because you find out a lot of landlords don't tell you that the housing is in foreclosure. So, once I found out that it's not in foreclosure, I'm going to do little things to fit it up and make it more homey."

relocate from public housing enjoy substantial improvements in housing quality and satisfaction and dramatically reduced exposure to drug trafficking and violent crime. The Urban Institute’s research has tracked housing and neighborhood outcomes for residents of HOPE VI developments who used vouchers to relocate (see Popkin, Levy, and Buron 2009). These families generally moved to neighborhoods with lower poverty rates than their original public-housing neighborhoods. Specifically, while poverty rates in the original projects were extremely high—averaging around 40 percent—after relocation, half the voucher relocatees were living in census tracts with poverty rates lower than 20 percent, and only 11 percent remained in high-poverty communities (Buron, Levy, and Gallagher 2007).

These HOPE VI voucher relocatees live in much higher quality housing than the projects they left behind. For example, less than 25 percent now report having two or more serious problems with their housing, down from more than 50 percent in their original public housing units. Even more striking, these relocatees reported dramatic reductions in fear of crime (figure 2). For example, the proportion of respondents reporting “big problems” with drug sales and use in their neighborhood dropped from about 80 percent before relocation to 33 percent in 2005 (Popkin, Levy, and Buron 2009).⁴

Figure 2. Improved Neighborhood Conditions among Voucher Relocatees



Source: Popkin and Cove (2007), table 2.

Low-income families that have used vouchers to leave public housing place high value on these changes, seeing them as significant improvements in their quality of life.

Assisted housing mobility programs can further expand families' choices about where to live. Some low-income families have volunteered for programs offering mobility counseling along with housing vouchers, so they can move to dramatically better neighborhoods. Over the past two decades, assisted housing mobility programs have been implemented in many communities across the country, providing counseling and search assistance in conjunction with special-purpose housing vouchers for families that want to move to lower-poverty or less segregated neighborhoods.

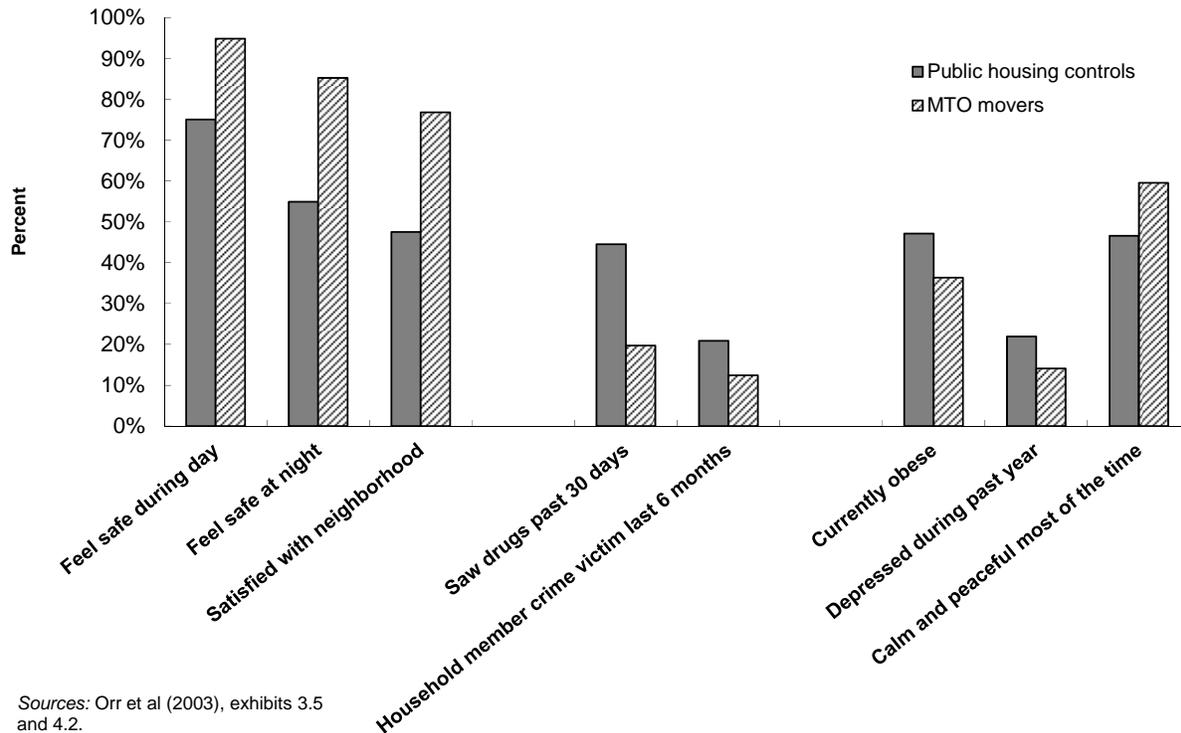
These local programs have mainly been implemented as part of litigation settlements or as research demonstrations. Many of them include restrictions on the types of neighborhoods where the vouchers can be used. The services offered by these mobility programs vary widely but typically include some combination of outreach to landlords with properties in desirable neighborhoods; individual or group counseling to help families plan and prepare for their search; information about unfamiliar neighborhoods, schools, shopping, and transportation access; hands-on help with housing search; and follow-up counseling and supports (Rizor 2005).

Many of these programs have had far more volunteers apply to participate than available slots. For example, 5,300 families from targeted housing developments in five cities (25 percent of project residents) applied to participate in the Moving to Opportunity program (Goering, Feins, and Richardson 2003), and 13,000 households have applied for 2,000 special-purpose vouchers offered by the assisted housing mobility program operating in the Baltimore region (Engdahl 2009). This evidence suggests that the demand for mobility opportunities is substantial. And in every program, many (though not all) volunteers successfully move to a dramatically lower-poverty or less segregated neighborhood (see, for example, Shroder 2003).

“Opportunity moves” can improve families' life chances. Families that move from distressed housing projects to low-poverty neighborhoods experience substantial gains in housing quality, safety, and health (figure 3). The strongest evidence about the impacts of assisted housing mobility for families comes from the interim evaluation of the Moving to Opportunity (MTO) demonstration. In the mid-1990s, MTO offered special-purpose housing vouchers to families living in distressed public and assisted housing projects in Baltimore, Boston, Chicago, Los Angeles, and New York. These vouchers could only be used in census tracts with poverty rates below 10 percent, and families received counseling and search assistance to help them find and lease qualifying homes and apartments.⁵

MTO families moved to neighborhoods that were dramatically less poor than where they started—and considerably less poor than those occupied by similar families receiving conventional vouchers (with no search assistance). The MTO families also enjoyed dramatic gains in neighborhood safety—their main reason for enrolling in the program. For example, roughly five years after their initial move, the share of mothers reporting that they saw drugs being sold or used in the neighborhood was 20 points lower among MTO movers than among comparable families that remained in public housing. And MTO families described their neighborhoods as dramatically quieter, more secure, and less stressful than those they had left behind.

Figure 3. Benefits of Moving to Opportunity



Women and girls who moved with MTO vouchers experienced significant improvements in mental and physical health, probably stemming from their reduced exposure to violence, disorder, and harassment. The interim MTO evaluation showed girls in the experimental group reported significantly lower rates of psychological distress and anxiety than those in the control group. For adult women, psychological distress and depression were reduced by 3.5 percentage points, or over one-fifth, relative to the control group (Orr et al. 2003). To put this in perspective, reductions of this magnitude are comparable to that achieved by some of the most successful drug treatments for depression and related disorders. The significance of MTO's impacts on safety, stress, and women's health should not be understated. Maternal depression is recognized as a major risk factor for the healthy emotional development of young children (Popkin, Leventhal, and Weisman 2010). However, the interim evaluation found no evidence that MTO contributed to significant educational, employment, or earnings gains, as had been hoped. And MTO boys had not shared in the benefits enjoyed by MTO girls (Briggs, Popkin, and Goering 2010).

Ongoing experimentation with mobility counseling programs offers the potential to help low-income families achieve even greater gains by moving to opportunity-rich neighborhoods. Although MTO families moved to low-poverty neighborhoods, few moved to the suburbs or to majority-white neighborhoods. And few MTO families stayed long in their new neighborhoods; instead, most moved several times over subsequent years, ending up in moderate-poverty, central-city neighborhoods (Turner and Briggs 2008).

Evidence from the earlier Gautreaux mobility program suggests that if families move to suburban neighborhoods with high-quality schools and other resources, they may achieve meaningful gains in education, employment, and—over the longer term—earnings (Rosenbaum and DeLuca 2000; Keels 2005). The latest generation of mobility programs, like the one operating in the Baltimore metropolitan area as part of a litigation settlement, encourages families to move to opportunity-rich neighborhoods throughout the region, and provides ongoing assistance to help movers stay in their new neighborhoods and take advantage of resources offered there (Engdahl 2009).

In sum, many families living in federally subsidized housing projects will choose to stay, especially if new investments improve the quality and safety of these communities. But opening up opportunities for families to move—to live closer to work, or in a safer neighborhood, or near a high-performing school—strengthens federal rental housing policy by improving the well-being of assisted households.

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Notes

¹ Several federal housing programs provide deep, gap-filling rent subsidies—paying the difference between a rent contribution that is considered affordable (currently set at 30 percent of monthly income) and the actual rent for a house or apartment. Families receive this kind of "gap-filling" subsidy if they live in public housing (owned and managed by a local public housing agency) or in privately owned developments that have long-term subsidy contracts with the federal Department of Housing and Urban Development (HUD). In both cases, the subsidy is "project based"—attached to the house or apartment; if the family moves, it loses its subsidy. For more information on federal rental housing programs, see Turner and Kingsley (2008).

² The Housing Choice Voucher program provides the same kind of deep, gap-filling subsidy as the project-based programs, but these subsidies are used to supplement what households can afford to pay for rental homes and apartments in the private market. Even in periods when funding isn't available to expand the total pool of Housing Choice Vouchers, vouchers regularly become available as recipients lose eligibility, move away from an area, or give up their vouchers for other reasons. PETRA specifies that only one in every three turnover vouchers would have to be available to households wishing to leave assisted projects. The remaining two thirds of turnover vouchers would be available for households on the waiting list for assistance.

³ Census tracts where more than 30 percent of the population has incomes below the poverty level are considered high poverty and particularly susceptible to disinvestment and distress. See, for example, Jargowsky (1998). Living in these high-poverty neighborhoods has been shown to undermine the well-being and long-term life chances of children and adults (Ellen and Turner 1997).

⁴ Similarly, families that volunteered to participate in the MTO demonstration (discussed further below) and received unrestricted vouchers moved to lower-poverty neighborhoods with lower crime rates than the public housing developments they left behind.

⁵ The MTO demonstration was implemented with a rigorous, controlled experimental design. Eligible families that volunteered to participate were randomly assigned to one of three treatment groups: a control group that continued to receive project-based housing assistance; a voucher comparison group that received unrestricted housing choice vouchers; and the MTO group that received housing counseling and search assistance in conjunction with a voucher that could be used only in a low-poverty neighborhood. For more information about the MTO demonstration and findings to date, see Orr et al. (2003); Turner and Briggs (2008); and Briggs, Popkin, and Goering (2010). The final evaluation of MTO impacts is currently under way, with results expected in spring 2011.