

**ALTERNATIVES TO THE FEMA TRAILER PARKS:
LESSONS FROM SOCIAL SCIENCE RESEARCH**

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More than 18 months after the devastation of Hurricanes Katrina and Rita, too many low-income families remain in FEMA trailer parks. The numbers seem to change day by day, but recent reports indicate that thousands of displaced renters live in over 115 group trailer sites constructed, managed, or funded by FEMA (Garratt 2007). I visited one of these sites almost a year ago and saw hundreds of tiny trailers lined up in efficient rows in a huge, fenced-in field, miles from schools, jobs, grocery stores, playgrounds, or doctors offices. Despite the best efforts of the management staff, it epitomized everything that housing policy can do wrong for families.

Dangers of Poverty Concentration

Social science research teaches us that clustering large numbers of vulnerable families in isolated, underserved communities is a recipe for disaster. Historically, many federally subsidized rental housing projects have made the same mistake, clustering poor families—especially minorities—in distressed inner-city neighborhoods. In these neighborhoods, jobs are scarce, schools are often ineffective, crime and violence are common, and young people see few opportunities for success (Schill and Wachter 1995; Turner and Rawlings 2005).

A growing body of research evidence indicates that living in these high-poverty communities undermines the long-term life chances of families and children—cutting off access to mainstream social and economic opportunities (Ellen and Turner 1997). Low-income families that live in distressed, high-poverty neighborhoods face especially daunting challenges as they attempt to leave welfare, find jobs, earn adequate livings, and raise their children. For example, children who grow up in distressed neighborhoods and attend high-poverty, poor-performing schools are less likely to succeed academically, complete high school, or attend college. Young people who are surrounded by unemployment, drug use, and crime—and whose peers encourage these activities—are more likely to become caught up in dangerous or criminal activities. And adults who live in neighborhoods that are isolated from job opportunities (by

distance or due to poor public transportation) are less likely to work steadily. Young children—especially those shaken by the trauma and displacement of the storms—are particularly vulnerable to the damage of living in a high-poverty, distressed environment (Golden 2006).

Experience from communities across the country provides a growing body of evidence that low-income families are likely to enjoy better health and long-term life chances if they have the opportunity to live in safe and healthy communities that offer access to jobs and are served by well-performing public schools (Briggs and Turner 2006). And when affordable housing is more widely dispersed, well-designed, and effectively managed, it can be an asset to the communities in which it is located. In fact, rigorous statistical analyses indicate that neither housing vouchers nor subsidized housing developments undermine property values in the surrounding neighborhoods as long as they are properly sited and well-managed (Galster, Tatian, and Smith 1999; Galster, Santiago, and Tatian 2001; Galster, Tatian, and Pettit 2004).

Need for Permanent Affordable Housing

Public policies should focus on providing meaningful, permanent housing choices in decent neighborhoods for the low-income families currently living in trailers. Like communities across the United States, Louisiana already faced serious affordable housing problems before Hurricanes Katrina and Rita struck. Although the pre-storm problems were substantial, the destruction and displacement caused by Hurricanes Katrina and Rita have left the greater New Orleans region (and other communities across Louisiana) with a severe housing shortage.

Across the greater New Orleans region, nearly 228,000 homes and apartments were flooded, including 39 percent of all owner-occupied units and 56 percent of all rental units (Brookings 2005). The lack of housing—especially moderately priced rental housing—prevents families from returning, exacerbates hardship and distress, and stands in the way of a full and equitable recovery. The latest reliable estimates indicate that less than half the population of

New Orleans Parish had returned as of mid-2006 and anticipate that the city's population will still be below 60 percent of pre-storm levels by 2008 (Brookings 2006). Lower-income households are less likely to have returned than more affluent households.

Low- and moderate-income households who want to return to Louisiana face daunting challenges, especially if they were private-market renters before the storm. New rental housing production is proceeding slowly. In 2006, New Orleans issued just 500 new single-family and multi-family unit building permits (Richardson and Rhea 2007). At the same time, the demand for rental housing has been at least temporarily expanded to include middle- and upper-income homeowners repairing damage to their homes and construction workers assisting in the recovery. As a consequence, rents for the units that are available have risen dramatically. Specifically, rental prices have reportedly climbed 40 to 70 percent over pre-Katrina levels (Bernardi 2007). Thus, low- and moderate-income renters who could afford housing in New Orleans before the storm may not be able to find anything they can realistically afford today. The shortage of affordable rental housing options is likely to be especially severe for families and individuals with special needs, including the elderly and very large families. And programs currently in place are inadequate to address the challenges facing low- and moderate-income households today and in the years ahead.

Expanding Affordable Housing Opportunities in Nonpoor Neighborhoods

Models and tools are available that integrate affordable housing into healthy, mixed-income neighborhoods. All of these models can and should be pursued as the communities in and around New Orleans and throughout the Gulf Coast are rebuilt.

Housing vouchers (funded under the federal Housing Choice Voucher Program) can provide an important part of the solution. They offer a critical tool for supplementing what low-income families can afford to pay for housing (Mills et al. 2006). Rebuilding the stock of moderately priced rental housing is essential to the long-term success of the voucher approach.

However, even in the short-term, an expanded voucher program would enable families currently living in the trailer sites to return reasonably close to home or to relocate in nonpoor communities throughout the Gulf Coast. The federal government should be making more vouchers available to current and former residents of New Orleans, including replacing the special disaster vouchers that are currently being provided to former residents of subsidized housing with conventional vouchers, providing additional vouchers to replace public housing and other federally subsidized units that are not being reopened or rebuilt, and allocating new vouchers based on needs among displaced households as well as current residents.

But vouchers alone are not sufficient; many families will need hands-on help finding homes or apartments where they can use their vouchers. In addition to the basic problems of rental housing availability and affordability, serious instances of discrimination further limit housing options for lower-income households, most of whom are African American. A study conducted by the National Fair Housing Alliance, involving apartment complexes in 17 cities and five states across the Gulf Coast, found that black apartment seekers were frequently denied information about apartment availability, rent, and discounts that was provided to comparable whites (CivilRights.org 2005). Moreover, for families with several young children, with health problems, with disabled family members, or without cars or driver's licenses, searching for housing is particularly difficult (Cunningham, Popkin, and Burt 2005).

Through small-scale demonstrations in communities across the country, we have learned in recent years a lot about how to help families make the most of housing vouchers. When families receive hands-on assistance with their housing search—along with basic support and counseling to help them find jobs, arrange for child care, and obtain medical attention—a housing voucher can open up opportunities for stability, security, and economic advancement (Goering, Stebbins, and Siewert 1995; Turner and Williams 1998; Tegeler, Cunningham, and Turner 2005). Recent research shows that moving to less poor neighborhoods brings safety,

improved mental health, better schools, and the potential for a brighter future (Briggs and Turner 2006). Even families facing serious life challenges can make such moves with help (Cunningham, Popkin, and Burt 2005).

In addition to vouchers, federal policy must focus on making more affordable rental housing available in Gulf Coast communities as quickly as possible. New construction will take time, so it is critically important to bring the existing stock of rental housing back into use. This could be accomplished by offering grants and low-interest loans to small-property owners who will reopen their buildings and keep rents reasonably affordable, and by purchasing single-family homes whose owners do not want to return and transferring them to nonprofit or for-profit managers that will make them available for rent. Louisiana's Road Home Program includes a Small Rental Property Program, targeted primarily to owners of small rental properties (fewer than five units), who otherwise would likely have little incentive to rebuild. Expanding this program in scale (by allocating more funding for it), extending it to owners of properties with up to 20 units, and accelerating its implementation could help bring more rental housing back onto the market relatively quickly.

As rebuilding proceeds, it is vital that the most vulnerable populations not be overlooked. Many elderly and disabled people were displaced from homes and apartments where they were living independently, and may have been disconnected from their support networks. In addition, some low-income families face multiple challenges, including physical and mental illness; low levels of education and limited workforce experience; drug or alcohol dependency; and members with criminal histories. These families and individuals need more than just a housing unit to achieve a reasonable level of security and stability; they also need supportive services—delivered to their homes or in conjunction with their housing assistance.

Although it is often targeted to single elderly people and disabled adults, permanent supportive housing is increasingly recognized as an effective option for troubled families, and

one that can help prevent homelessness (Cunningham, Popkin, and Burt 2005). Supportive housing offers stable housing with subsidized rent levels in a structured environment that can include substance abuse and mental health services, child care and parenting assistance, adult education and job training, and budgeting and financial education. In order to be successful, supportive housing has to be very well-managed and provide high-quality services.

Providing Essential Services to the Remaining Trailer Sites

As long as some families remain in trailer communities, they need on-site services to counteract the damaging effects of isolation and distress. Key services include health and mental health care (because many hurricane evacuees are suffering from chronic health problems); job training and job search assistance (to help adults return to work and eventual self-sufficiency); and high-quality child care and after-school activities (to ensure that children and youth are properly supervised and can recover from the trauma of the storms and their aftermath). Although delivering high-quality services on-site may make the trailer sites seem more “acceptable” and could potentially prolong their existence, withholding these services leaves vulnerable families isolated and at risk.

Clustering large numbers of low-income families in isolated trailer sites was a grave mistake. Trailers should have been the option of last resort, rather than the primary response to the housing crisis caused by Hurricanes Katrina and Rita. We know how to do better. Now the federal government should be drawing upon the housing policy experience of the past decade to create opportunities for families to leave the trailer sites and obtain permanent, affordable housing in opportunity-rich communities.

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