Both research and intuition support the idea that neighborhoods matter, especially for children (Ellen and Turner 1997; Brooks-Gunn et al. 1997). The neighborhood a family lives in is likely to influence where a child attends school, his or her peer group, and the family’s exposure to violence or drugs. For many poor families, moving from a bad neighborhood to a good one may be the first step toward self-sufficiency and wider opportunities. However, the policy prescription for helping families access better neighborhoods is less clear.

There is evidence that the Housing Choice Voucher Program helps families move to better neighborhoods and that households with housing vouchers are more likely to live in low-poverty neighborhoods than other low-income renters (Goering, Stebbins, and Siewert 1995; Turner 1998). With vouchers, families rent units from private-market landlords. Program participants pay about 30–40 percent of their monthly income toward their rental and utility costs and the federal government makes up the difference. In principle, voucher holders have a wide range of choices when deciding where to live. Voucher holders can move to any jurisdiction in the United States with an authority that administers a voucher program (there are over 2,500 housing agencies nationwide).

While program regulations allow for choice in where to live, the reality on the ground tells a different story. Finding a unit to rent with a voucher, particularly a unit in a low-poverty neighborhood, relies primarily on the household’s capacity to navigate the private rental market, and considerable evidence shows that voucher holders face numerous barriers. Landlords are apprehensive about participating in the voucher program. This reluctance is especially problematic in tight rental markets where landlords can more easily find private-market tenants to rent their units (Cunningham, Sylvester, and Turner 2000; Fosburg, Popkin, and Locke 1996; Lenz and Coles 1999). Further, voucher holders may face racial discrimination and discrimination against families with children in the rental market (Turner et al. 2002; Popkin and Cunningham 1999). Finally, households may limit their search to neighborhoods they are familiar with or where landlords are more likely to accept vouchers. As a result of all these factors, many voucher holders live in economically and racially segregated neighborhoods; this is particularly true for black and Hispanic households (Devine et al. 2003).

During the past 10 years, the Department of Housing and Urban Development has introduced policies and programs specifically to “deconcentrate” households that receive housing subsidies. One program focus is to encourage voucher holders to move to low-poverty neighborhoods by providing housing search assistance and connecting voucher holders with landlords in low-poverty neighborhoods. These programs are collectively called mobility programs.1

The first mobility program was the result of litigation to remedy racial discrimination and segregation by the Chicago
The overall goal of HOP is to help families move to "opportunity neighborhoods," where less than 23.49 percent of residents live below the poverty level.

1. Does enrollment in HOP increase the probability that a household will move to a low-poverty neighborhood?

2. Do voucher holders make incremental moves to lower-poverty neighborhoods over the course of their participation in the program?

3. What other factors (such as household size, income, employment, etc.) affect the probability that a household will move to a low-poverty neighborhood?

To answer these questions, we analyze administrative program data using descriptive and multivariate analysis techniques (for more on methods, see page 11). The rest of this section describes HOP and the local context it operates in and then highlights our key findings.

**Housing Assistance and Neighborhood Mobility in Chicago**

Chicago’s Housing Choice Voucher Program is one of the largest in the country, and, owing to the demolition of public housing, has been growing steadily. Today the authority administers approximately 32,000 housing vouchers in the Chicago metropolitan area. The typical voucher household in Chicago is a black, low-income family, headed by an adult 25–40 years old. About half receive income from wages (median income is $7,430) and one-third receive TANF. The average housing unit size is three bedrooms and the average household size is 2.6.

The location of voucher holders in the city of Chicago mirrors the historic pattern of racial and economic segregation, with black residents concentrated on the south side and white residents on the north (Fischer 1999; Massey and Denton 1993). About 75 percent of African American households with vouchers and 79 percent of African American households without vouchers in the Chicago area live in racially segregated neighborhoods (Chicago Area Fair Housing Alliance 2004).

In 1999, the Housing Opportunity Program was created by CHAC Inc., the private contractor that manages the Housing Choice Voucher Program. The overall goal of HOP is to help families move to “opportunity neighborhoods,” which are defined as neighborhoods where less than 23.49 percent of residents live below the poverty level.

In 1994, HUD launched the Moving to Opportunity (MTO) demonstration to specifically address the question of neighborhood effects. So far, MTO research has shown that families living in lower-poverty neighborhoods are more likely to report higher-quality housing, lower exposure to violence, and improvements in mental health. Researchers hypothesize that improvement in employment and self-sufficiency will become more apparent over time (Orr et al. 2003).

The body of evidence that moving to low-poverty neighborhoods can produce positive outcomes for low-income families is growing, yet the question of how to encourage or orchestrate moves to low-poverty neighborhoods remains largely untested. Put simply, we know that helping families move to a better neighborhood can improve their access to opportunities, but we do not have strong evidence on how to encourage these moves. No systematic research exists that tests the success of mobility programs in assisting families move to low-poverty neighborhoods. Further, we know little about how programs operate, what makes them effective, and which components need strengthening.

**Key Questions**

This brief examines the efficacy of providing mobility assistance to families with vouchers by examining the Housing Opportunity Program (HOP) in Chicago. We analyzed program data to answer three questions:
The mobility program cost $1.3 million in 2003. In the first year of the program, HUD allowed the Chicago Housing Authority to convert a certain number of vouchers and use the funds toward funding the mobility program; since then, funds have been available as a result of the flexibility under the Moving To Work demonstration. Since the program’s inception, approximately 10,000 housing choice voucher holders have enrolled in HOP, making it one of the largest voluntary mobility programs in the country.

The program offers a range of services to housing choice voucher holders who are interested in moving to an opportunity neighborhood, including housing search counseling and unit referrals, free credit reports and budget counseling, transportation to view units in opportunity neighborhoods, expedited HUD Quality Standards inspections, workshops on landlord–tenant law, and post-move support and house visits. In addition, the program offers access to a security deposit loan fund that can be paid back over time, to assist households with the up-front costs of security deposits.

Movement Patterns of All Voucher Holders
We analyzed a snapshot of all voucher holders receiving assistance from 2001 through 2004. During this time, 29,240 households were receiving voucher assistance. We tracked a total of three moves, equaling four addresses: address one, address two, address three, and address four. The first address we have for households reflects where they were living in 2001. At this time the households in our dataset were already receiving the voucher; therefore, we do not have a record of the households’ addresses before coming onto the program. This section describes the movement patterns of all voucher households in Chicago.

Most voucher holders moved only once during the study period. About 75 percent of the 29,240 voucher households remained in their units during the study period. About 20 percent moved once, only about 4 percent moved a second time, and less than 1 percent moved more than three times. These statistics are not surprising; most voucher holders sign one-year leases and therefore could move only once a year during our three-year study period because of program regulations. Those that did move more than three times most likely moved as a result of special circumstances, such as eviction or for involuntary reasons (figure 1).

Most movers did not move very far from their previous address. By the end of our study, 33 percent of all voucher holders moved less than half a mile, and 54 percent

moved less than two miles. About 26 percent moved two to five miles and 20 percent moved more than five miles. It should be noted that the distance moved does not necessarily reflect moving to a better neighborhood. There is no correlation between moving a longer distance and moving to an opportunity neighborhood. Similarly, there is no correlation between moving a shorter distance and moving to a higher-poverty neighborhood.

Four out of 10 voucher households in Chicago are living in opportunity neighborhoods. By the end our study period, 44 percent of all voucher holders were living in opportunity neighborhoods. About 8 percent of those living in opportunity neighborhoods were living in neighborhoods with less than 10 percent poor residents. Of those living in opportunity areas, 21 percent started in high-poverty neighborhoods and moved to opportunity neighborhoods and 23 percent were already living in opportunity neighborhoods at the beginning of the study. More than half (55 percent) of voucher holders continued to live in high-poverty neighborhoods. About 41 percent started in high-poverty neighborhoods and remained in high-poverty neighborhoods at the end of the study period. In addition, 14 percent of voucher holders started in opportunity neighborhoods and moved to high-poverty neighborhoods during the study period (table 1).

Households made incremental moves toward opportunity neighborhoods. For those households that moved once during the study period, 42 percent moved to opportunity neighborhoods. The share of households that moved to opportunity neighborhoods increased to 45 percent among those who moved a second time. The trend continued for the households that made a third move, where 48 percent of those that moved, moved to opportunity neighborhoods.

### Movement Patterns of Vouchers with Mobility Services

Households that received mobility assistance were more likely to move. About one-fifth (21 percent) of the sample enrolled in HOP. About one-third (34 percent) of HOP participants moved during the study, compared with only 17 percent of households that did not receive mobility assistance. This difference is not surprising, since HOP is focused on moving families to opportunity neighborhoods and the families who sign up have already decided they want to move. Most participants find out about the mobility program at the transfer briefing, where they get their “moving papers” (figure 2).

Overall, a slightly higher proportion of households that received mobility assistance moved to opportunity areas than voucher households that did not receive mobility assistance. We examined the differences between households that received mobility assistance and those that did not. At the beginning of the study period, 40 percent of all voucher holders were living in opportunity areas and 60 percent were living in high-poverty neighborhoods. Between 2001 and 2004, 25 percent of the sample, or 7,200 households, moved once. During this move, 35 percent \((N = 2,485)\) received mobility services and 65 percent \((N = 4,710)\) did not receive mobility services (figure 2).

After the first move (from address one to address two), 22 percent of those who received mobility assistance moved from high-poverty neighborhoods to opportu-
Community neighborhoods, compared with 19 percent of those who did not receive services. Almost one-quarter (22 percent) of those who received mobility services moved from opportunity neighborhoods to other opportunity neighborhoods during the first move. A similar share (23 percent) of households that did not receive services moved from opportunity neighborhoods to other opportunity neighborhoods. At the end of the first move, 44 percent of households that moved and received mobility assistance and 42 percent of households that did not receive services were living in opportunity neighborhoods (figure 2).

During the second and third moves, a higher proportion of households that received mobility services moved back to high-poverty neighborhoods. About 4 percent of the sample, or 1,158 households, moved a second time. During this move, 49 percent (N = 578) of households that moved received mobility services and 51 percent (N = 560) did not receive services. After the second move (from address two to address three), 19 percent of those who received mobility assistance moved from high-poverty to opportunity neighborhoods, compared with 22 percent of those who did not receive services. About 25 percent of those who received mobility services moved from opportunity neighborhoods to other opportunity neighborhoods during the second move. A slightly higher percentage (27 percent) of households that did not receive services moved from opportunity neighborhoods to other opportunity neighborhoods. At the end of the second move, 43 percent of households that moved and received mobility assis-
Voucher holders who enroll in HOP and receive mobility services are significantly more likely to move to opportunity neighborhoods.
differences that may influence whether a family moves to an opportunity area (income, household size, etc.), the program has a strong effect (figure 3).

- **Higher-income, wage-earning households are more likely to move to opportunity neighborhoods.** Economically stable families are more likely to move to opportunity neighborhoods. Compared with their unemployed counterparts, households with wage earners are 13 percent more likely to move to opportunity neighborhoods. Further, as household income increases, so does the likelihood that a household will move to an opportunity neighborhood; for every $1,000 increase in income, the household is 6 percent more likely to move to an opportunity neighborhood (figure 3).

- **Vulnerable households are less likely to move to opportunity neighborhoods.** A number of barriers may prevent households from moving to an opportunity neighborhood, such as economic hardship. About one-third of voucher households were receiving welfare assistance. These families are 21 percent less likely than families that do not receive welfare to move to an opportunity neighborhood. Households that are homeless at admission are also less likely to move to opportunity neighborhoods. Families that are homeless at admission are likely coping with numerous problems—such as domestic violence, substance abuse, or mental illness—that would make moving to an opportunity neighborhood a lower priority than meeting the family’s basic needs (figure 3).

- **Large families that require more bedrooms are less likely to move to opportunity neighborhoods.** A higher proportion of households living in studio apartments live in high-poverty neighborhoods (75 percent), but those living in one- or two-bedroom apartments are less likely to live in high-poverty neighborhoods (46 and 56 percent, respectively). As household bedroom size increases, families are more likely to live in high-poverty neighborhoods. About 69 percent of households that require four and five bedrooms live in high-poverty neighborhoods. Our regression analysis shows as household size increases by one bedroom, the probability that the family will move to a low-poverty neighborhood is reduced by 11 percent. There are several explanations for this difference. First, there may be fewer larger bedroom units available in the private market, making the housing search more difficult, particularly in opportunity neighborhoods. Second, larger families are likely to have

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**FIGURE 3. Predictors of Moving to Opportunity Neighborhoods**

- HOP (received mobility services)
- Female head of household (HOH)
- Wage income
- Number of moves
- Income from other sources
- Income ($1,000s)
- Age (10 years)
- TTP1
- Time on HOP
- Extra person in household
- Extra bedroom
- CHAC relocatee
- Black HOH
- Welfare receipt
- New to HCV
- Homeless at admission

Odds ratios from logistic regression $p \leq .05$
more children and may face discrimination in the housing market (figure 3).

- **Black households are less likely to move to opportunity neighborhoods.**
  Black households are 62 percent less likely to move to opportunity neighborhoods than white and Hispanic voucher households. Like many inner cities across the nation, Chicago has a long history of racial segregation in the housing market, and both discrimination and personal choice likely influence where black households move. Further, black households are much more likely to start in majority-black neighborhoods and therefore are more likely to search for units in those neighborhoods or in the surrounding communities (figure 3).

- **Public housing relocatees are less likely to move to low-poverty neighborhoods.**
  Approximately 3,712 public housing relocatees entered the Housing Choice Voucher Program between 2001 and 2004, accounting for 12.7 percent of voucher participants during this period. These families typically have little experience in the private market. Only 29 percent of public housing relocatees moved to low-poverty neighborhoods, and over half (52 percent) moved to neighborhoods with poverty rates exceeding 40 percent. Even after controlling for the neighborhoods that households started in and their household characteristics, public housing relocatees are 18 percent less likely to move to low-poverty neighborhoods than voucher holders who entered the program through the waiting list. This may be because many families use their vouchers to temporarily live in, or close to, their original high-poverty neighborhoods until they can return to the revitalized public housing development (figure 3).

### Implications for Mobility Programs and the Housing Choice Voucher Program

Helping families move to opportunity areas is a difficult task, particularly in cities like Chicago where racial and economic segregation have drawn lines that are hard to cross over. Tight rental markets and problems inherent in the voucher program can make it appear impossible. This study provides the first empirical evidence that mobility programs can successfully help families with housing vouchers move to better neighborhoods. When CHAC took over the program in 1995, only 29 percent of voucher holders lived in opportunity areas. Today, 44 percent live in opportunity areas. This dramatic change is the result of concerted efforts that make residential mobility a focus of the voucher program. CHAC’s voucher program identifies residential mobility to opportunity neighborhoods as one of its goals, and is evaluated and rewarded by the CHA for meeting these goals. In addition to the mobility program, resources, such as brochures, the resource room, and property listings, are available to all voucher holders.

Although this study offers positive findings, the difference in the share of households that receive mobility assistance and move to an opportunity neighborhood and those that move to high-poverty neighborhoods remains small (about 6 percent). The regression analysis, which shows a strong program effect, suggests that if the program targeted specific households, it might have higher success rates in helping move families to opportunity neighborhoods. The findings suggest four policy recommendations that could improve the success rate of mobility programs, both in Chicago and other cities like it.

- **Target economically stable households for mobility program participation.**
  Most programs serving low-income households are constrained by funds and staff power. To best target program resources, program administrators should recruit households that are more likely to move to opportunity neighborhoods and just need the extra encouragement and services. These households have wage earners and higher incomes. Program administrators should target these households as they come onto the voucher program.

- **Offer intensive housing search assistance or different services to “hard-to-move” families.**
  For many reasons, some households are simply not ready to move or may have much more difficulty moving to opportunity neighborhoods. These households may benefit from programs that offer life skills, such as budgeting, soft job skills (interviewing, etc.), and communication skills. Although many families are ready for opportunity neighborhoods on their first move out of public housing, many may need to participate in the voucher pro-
gram first and then, after adjusting to life in the private market, participate in a mobility program.

- **Focus on retention services for voucher holders who have moved to opportunity neighborhoods.** Overall, a small number of all voucher households moved from low-poverty neighborhoods back to high-poverty neighborhoods. Further, a higher proportion of the households that receive mobility assistance returned to high-poverty neighborhoods. The reasons for moving back are unclear; however, moving to an unfamiliar neighborhood is a difficult adjustment, particularly if households differ from their neighbors. Providing follow-up services may affect how families that move to opportunity neighborhoods adjust to their new neighborhoods and, more important, if they choose to remain there.

- **Provide a continuum of services for self-sufficiency.** Residential mobility and self-sufficiency programs often operate in a vacuum. Program administrators should improve the connection between these programs by recruiting and targeting households that move to opportunity neighborhoods. Households that move to opportunity neighborhoods are more likely to include wage earners and have higher household income. These households are ideal for self-sufficiency programs, such as the Family Self-Sufficiency (FSS) program. Similarly, FSS participants, particularly those with escrow accounts, should be recruited to participate in residential mobility programs.

**Conclusion**

The housing choice voucher program has been serving families since 1974. Today the voucher program serves almost 2.1 million households, making it the largest program providing affordable housing to America’s poor families. In terms of making housing affordable, the program is effective. There is some evidence, however, that the program is not meeting its full potential in helping families move to better neighborhoods. Many voucher holders find housing without assistance and end up living in mid- to high-poverty neighborhoods with low-quality housing (Devine et al. 2003).

Research about how important neighborhood quality is for opportunities afforded to low-income families continues to grow. Still, improving neighborhood quality for voucher families eludes us. Recently, two former HUD secretaries, Jack Kemp and Henry Cisneros, called for making mobility “an explicit goal of the Housing Choice Voucher Program” (Cisneros et al. 2004). If policymakers are serious about ensuring that families live in safe and healthy neighborhoods, much remains to be done in terms of policy. These programs do not come without cost, however.

This raises several concerns, particularly when there is a desperate need for affordable housing and extremely long waiting lists for vouchers. How do policymakers juggle the desperate need for basic needs versus long-term commitment to ensuring access to equal opportunity? Racial and economic segregation have had, and will continue to have, stratospheric costs. Prioritizing resources for low-income families is difficult. However, there is some evidence that spending a little money today that helps families move to better neighborhoods can save thousands of dollars in the future in terms of health improvements, education, and employment opportunities (Johnson, Ladd, and Ludwig 2001). While mobility programs alone cannot change the historic patterns of economic and racial segregation, our analyses suggests that expanding mobility programs are one piece of the policy prescription puzzle.

**Notes**

1. See Turner and Williams (1998) for an overview of mobility programs operating across the country.

2. In *Gautreaux*, the courts found that the CHA and HUD had discriminated against black public housing residents, concentrating them in large-scale developments located in poor black neighborhoods. The decision against the CHA in 1969 called for the creation of new public housing at scattered sites in nonminority communities. The case against HUD eventually moved to the Supreme Court and was settled in 1976 (Rubinowitz and Rosenbaum 2000).

3. In 1996, HUD introduced the Regional Opportunity Counseling (ROC) Program, which granted the funding for 16 metro regions to provide mobility counseling to voucher holders (Turner 1998).

4. For this demonstration program, families that volunteered to move out of public housing were randomly assigned to one of three groups: (1) experimental group (this group was required
to move to neighborhoods that were less than 10 percent poor with their Section 8 vouchers and were provided housing search assistance to help them do so; (2) Section 8 control group (this group was allowed to move with their vouchers to whatever neighborhood they wanted); and (3) in-place control group (this group was not given Section 8 vouchers and remained in public housing or moved on their own).

5. What we know about how MTO and Gautreaux operated is limited to success rates for leasing up, but not success in moving to low-poverty neighborhoods. All participants were required to move to low-poverty neighborhoods to be counted eligible for the voucher.

6. The only study to date on counseling programs is a report on the initial counseling provided to MTO participants (Feins et al. 1997).

7. The idea behind “incremental moves” is that each time a voucher holder moves to a new unit, he or she will move to a lower-poverty neighborhood.

8. The term “opportunity neighborhoods” was coined by CHAC staff because low-poverty is an academic term that is common in the research community but not in everyday conversation.

A committee made up of representatives from CHAC, CHA, HUD, and legal advocates agreed on the 23.49 percent figure. It should be noted that 23.49 percent is higher than most definitions of low poverty. For example, the MTO demonstration defines low-poverty as less than 10 percent, as does HUD’s ROC Program.

9. The only other large-scale program is a mobility program operated by the Dallas Housing Authority as part of its obligations under the Walker degree. See Popkin et al. (2000).

10. These data represent a snapshot in time, starting in 2001. The program continued to grow during the study period, and by the end of the study period, 34,357 households were receiving vouchers.

11. According to our data, 6,009 households had received mobility services and 23,231 voucher households had not. Of the 6,009 households that received mobility services, many did not move between 2001 and 2004, but they may have moved with mobility services before 2001.

12. See “Data and Methods” on page 11 for a detailed description of our data and analysis.

13. To understand if some households are more likely than others to move to opportunity neighborhoods, we used logistic regression to control for background differences among voucher holders. The dependent variable in the regression model represents the quality of the neighborhood as measured by poverty rate in the census tract (less than or equal to 23.49 and greater than 23.49). The independent variables are listed in “Data and Methods” on page 11.


References


Data and Methods

Our analysis draws data from three sources: HUD’s 50058 form, CHAC’s HOP dataset (which monitors and tracks outcomes for the mobility program), and the 2000 Census. These data cover 29,040 households that participated in the Housing Choice Voucher Program and HOP during this period. They include information on address history, household composition, race and ethnicity, employment and income, program participation, and administrative data on housing and income verification.

To examine the factors that influence whether a household moves to a low-poverty neighborhood while participating in the Housing Choice Voucher Program, we used a logistic regression model to evaluate the effect of household characteristics as well as program and geographic factors. The dependent variable in this model was whether a household’s address at the end of the four-year sample period is located in a low-poverty neighborhood. In this case, neighborhood is defined by census tract. The poverty rate was calculated as the number of people living below the poverty level divided by the total number of people living in the neighborhood. The poverty rate was then coded into a dichotomous variable, with a value of 1 if the poverty rate was 23.49 percent or less and 0 if the poverty rate was 23.50 percent or above. The following independent variables were included in the model: TANF receipt, income from wages, income from Social Security, income from SSI, income from other sources, HOP participation, elderly head of household, race and ethnicity, disabled head of household, income, homeless at admission, gender, tenant rent, bedroom size, ZIP Code of preprogram address, and poverty rate of previous neighborhood.


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Research for this brief was funded by the John D. and Catherine T. MacArthur Foundation. The authors thank Jennifer O’Neil for helping access the data, providing helpful comments, and continuing to ask hard questions on how to make the voucher program better for families.